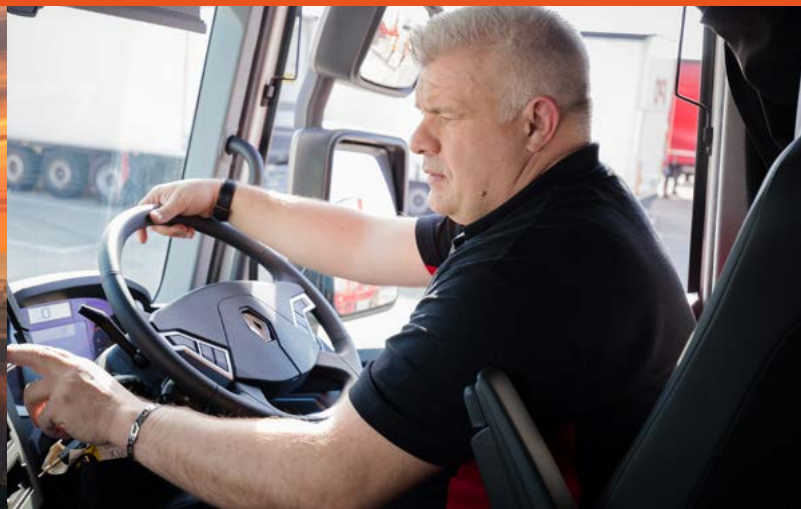# RHA

Lorry drivers: the vital link

Attracting, training and retaining key workers in the UK supply chain.

February 2025

Executive Summary

The UK economy is critically dependent on a strong pool of heavy goods vehicle (HGV) drivers to ensure smooth supply chains and delivery of goods. HGV drivers are the backbone of the supply chain. They deliver essential items like food, medicine, fuel and materials for manufacturing and construction. 81% of all freight in the UK is transported by road. Maintaining a steady supply of goods to homes, hospitals, retailers, factories and consumers not only helps avoid disruptions that can ripple through entire industries, it boosts the economy too.

However, the logistics sector faces significant structural challenges, including recruitment and retention of drivers and an ageing workforce that threaten economic stability and supply chain resilience.

This report provides a unique forecast for HGV driver requirements. **Our forecast shows a need for 40,000 new HGV drivers each year for the next five years – a total of 200,000 new drivers over the same period.** To achieve this, over the next 5 years, an average of 73,000 driving tests will need to be carried out annually by DVSA. Both government and industry must continue to focus on ensuring that we have the HGV driver workforce needed to meet future economic demands.

The report examines the current HGV driver workforce, its demographics, as well as the impact of the current economic climate and future freight volume indicators including monthly GDP estimates, retail sales, manufacturing output, construction and imports and exports. Inflation has depressed freight volumes, which have been depressed further by higher interest rates. The UK's departure from the EU, the pandemic and the cost-of-living crisis have all impacted freight volumes. With the new UK Government's focus on housebuilding, HGV drivers will play a critical role in reaching the target of building 1.5 million homes within 5 years, so increasing the driver pool is essential to meet this need.

The report also examines how the number of active and inactive drivers have changed over the past decade across each region. There are 684,000 active HGV drivers, based on the number that hold a valid Driver Qualification Card (DQC). The number of drivers with a DQC gives the most accurate measure of the number of active drivers.

The HGV driver workforce is also disproportionately older and male, with just 1.6% under 24 and only 2% female drivers. Ethnic diversity is low, with 83% of drivers identifying as 'White British', compared to 74% in other sectors.

2021 was a year of genuine crisis with an HGV driver shortage which saw empty shop shelves, delivery delays and supply chain disruption. We must avoid a repeat of this.

The HGV driver forecast model

Our forecast shows a need for at least 40,000 new HGV drivers each year for the next five years – over 200,000 new drivers.

The HGV driver demand model below shows the forecast of economic growth for each year, measured by Gross Domestic Product (GDP).

	2023	2024	2025	2026	2027	2028	2029
Growth applied (NIESR GDP forecast)	–	1.1	1.3	1.3	1.2	1.3	1.2
Number of Driver Qualification Card holders needed	683,623	691,143	700,128	709,229	717,740	727,071	735,796
Retiring 65+ (spread over 10 years)	–	-7,414	-6,673	-5,931	-5,190	-4,449	-3,707
Retiring 60-64	–	-12,866	-14,189	-15,856	-16,848	-17,632	-20,197
Remainder from 2023 cohort	–	663,343	642,481	620,693	598,655	576,575	552,670
Cumulative extra requirement	–	27,800	57,647	88,536	119,085	150,496	183,125
Additional HGV licences - no DQC	–	11,326	11,326	11,326	11,326	11,326	11,326
HGV passes required	–	39,126	41,173	42,215	41,875	42,737	43,955
HGV tests required	–	68,522	72,106	73,932	73,336	74,846	76,979

Explanation notes

▌ The table shows the projected number of retiring HGV drivers between the ages of 60-64 and 65+ and calculates the total number of drivers (Driver Qualification Card (DQC) holders) required for each year.

▌ The 'remainder from 2023 cohort' row shows the number of drivers after retiring drivers from the previous year have been removed.

▌ The 'cumulative extra requirement' row shows the 'DQC number' minus the 'remainder from 2023 cohort' number from the same year.

▌ The 'additional HGV licences' row is an allowance for drivers who have a licence but are not active professional drivers.

▌ The 'HGV passes required' row is calculated by adding the 'number of retirees' and 'additional HGV licence' rows.

Based on these calculations, the table shows the number of HGV driving tests required and resultant passes per annum to achieve the required number of drivers.

Recommendations

Industry	Government
Attract	
Develop a work experience guide for industry to aid greater take-up of work placements in key driving roles.	Maintain funding for the HGV driver skills bootcamps beyond 2025.
Increase industry collaboration with schools and colleges at a local level to promote careers in logistics.	Fully implement the 8 Gatsby Benchmarks to provide an effective careers guidance system to all school age students to help boost awareness of logistics careers.
Partner with DWP to help educate work coaches on the careers available, pathways and the skills and attributes that best fit logistics.	Ensure DWP work coaches and job centres effectively represent and promote opportunities in the logistics industry.
Offer industry experiences to teachers and support staff to improve their knowledge of the sector	Development of a formal school or college-based qualification such as a T-Level or incorporate logistics modules in the current curriculum.
Leverage government supported initiatives incorporated within the Make Work Pay programme, showcasing logistics as an accessible and rewarding career path.	
Train	
Fully engage in training newly qualified drivers to provide work experience	Greater flexibility within the Apprenticeship Levy (new Growth and Skills Levy) to allow logistics businesses to utilise funds effectively for workforce planning.
Collaborate with employers and educational institutions to develop industry specific training programmes such as T-Levels.	Review the Initial Driver CPC content so greater emphasis on preparing for the vocational driver role to help retain newly qualified drivers
Invest time in apprenticeships, especially to bring young talent into the sector.	Ensure local skills investment is linked to the needs of local economies via Local Skills Improvement Plans and Combined Authorities skills plans.
Engage with Local Skills Improvement Plans so that business, local government and colleges are linked up and providing what is required in local labour markets.	Regularly review apprenticeship funding bands to account for rising costs.
	Ensure that devolved funding via combined authorities does not overly complicate the skills system for national businesses

Industry	Government
Test	
Training providers should ensure that learners fully understand the job of an HGV driver to reduce the numbers of qualified drivers dropping out of the job.	Re-open delegated examiner training to increase testing capacity, including delegated theory tests.
Industry should provide greater work experience opportunities for learners to better understand the job.	Continue to prioritise vocational testing capacity to ensure consistency.
	Improve the DVSA booking system so training providers do not need to block book tests.
Retain	
Focus on enhanced retention methods such as flexible working and other company benefits to drive competitiveness	Work with insurance companies and industry to help break down the barrier of insurance costs for newly qualified drivers.
Develop a new industry led campaign to promote driver welfare including mental and physical health.	Ringfence funding from both the Department for Transport and National Highways for roadside facilities to increase dedicated lorry parking spaces and rest stops.
Develop a new 'Guide to driver welfare' to showcase best practice for employers on driver management.	Fully implement the recommendations of the Department for Transport HGV Parking Task & Finish Group (TFG)
	Continue the funding for the HGV parking and driver welfare grant scheme to improve lorry parking facilities.

Contents

Introduction

This report provides a unique forecast of the number of heavy goods vehicle (HGV) drivers needed over the next 5 years to estimate the necessary training and testing to avoid future driver shortages.

It explores the state of the HGV driver workforce, considering who is currently driving including age, experience, and other demographics, how many new drivers are entering the industry, the critical role drivers play in supporting the economy, expected retirements and workforce exits, and the impact of economic trends on demand.

The UK economy has impacted road freight due to several factors, including the country's departure from the EU, the pandemic, home shopping and the cost-of-living crisis. Inflation has also depressed freight volumes, which have been further depressed by higher interest rates.

Following the peak of the HGV driver shortage in the summer of 2021, steps were taken to increase the number of HGV drivers. The UK government took positive steps by publishing a list of 33 actions[1] to reduce the driver shortage which included providing funding for training of new HGV drivers, expanding HGV driver testing capacity, improving licensing processes and attracting drivers back to the sector.

2023 saw the highest number of licence and DQC holders in a decade, but diminishing numbers are working as HGV drivers due to low freight volumes. Recent freight volumes have been considerably depressed, particularly for food and general retail, non-EU imports, and EU exports, impacting hauliers and driver numbers.

With the new Government's focus on housebuilding, HGV drivers will play a critical role in reaching the target of building 1.5 million new homes over five years, which means increasing the number of drivers is crucial.

There is a considerable funnel effect in driver recruitment. The number of applicants, training starters, and people willing and ready to drive means that substantial effort will continue to be needed to reach the required number of newly qualified drivers.

But even then, it will be difficult for those drivers to find work because of additional barriers including employers' insurance and experience requirements, especially in specialist driver roles.

The peak of the HGV driver shortage showed the severe impact on goods, services and supply chains when we did not have the workforce we need.

Both the industry and Government must ensure the right planning, forecasting and contingencies are in place to prevent future driver shortage crises.

This section looks at the current pool of heavy goods vehicle (HGV) drivers and how the number of drivers has changed over the past decade across each region. Establishing the current driver pool numbers, both active and inactive and then comparing this with the number of heavy goods vehicles currently registered.

There are varying reasons for having an HGV licence ranging from working specifically as an HGV driver; carrying out work that requires heavy vehicles but is not related to delivering goods (for example scaffolding and waste management); people who have an occasional need to move vehicles such as transport managers; and people who need an HGV licence for leisure pursuits, such as large horseboxes.

Current HGV driver numbers

To assess current driver numbers and future demand, it's important to establish the correct baseline number. Most analysis of HGV driver numbers have been based on the Office for National Statistics (ONS) Annual Population Survey, however this does not provide accurate HGV driver numbers due to low response rates to the Labour Force Surveys.

For a clearer picture of the number of HGV drivers, using the number of Driver Qualification Cards (DQC) obtained once the Driver Certificate of Professional Competence (CPC) has been completed (alongside having a valid HGV licence) gives a more accurate picture of the number of active and qualified HGV drivers available.

Using DVLA data on DQC holders and an active licence, there are currently 684,000 HGV drivers qualified to drive professionally. However, this number will include occasional drivers and managers who keep their licence and DQC up to date to provide occasional or emergency cover.

Additionally, DVLA data shows that 627,000 drivers with either a C1, C, C1E and CE licence (the driver licence categories for HGV drivers) hold a valid tachograph card. Tachograph cards are used by professional drivers to record driving activity.

The June 2024 ONS figures[2] report 261,000 HGV drivers in the UK. However, according to the Department for Transport, there were 535,000 heavy goods vehicles registered in 2024[3]. Allowing for 24/7 vehicle running, double shifting, holiday and sickness cover, it is generally accepted that there needs to be a ratio of 1.5 HGV drivers for every registered HGV. Therefore, the ONS number of drivers cannot truly reflect the number of people working as HGV drivers, and there is clearly a discrepancy in the occupational categorisation.

There are a substantial number of people (293,000) who are either inactive drivers or who are driving HGVs which do not require a DQC[4] or tachograph card. In addition, there are people who have taken HGV licences in the past but who have allowed them to lapse through not keeping their driver medicals up to date.

1 The current heavy goods vehicle (HGV) driver pool

[2] Nomis Annual Population Survey: https://www.nomisweb.co.uk/

[3] Number of HGV vehicles – from DfT – VEH0520: https://www.gov.uk/government/statistical-data-sets/vehicle-licensing-statistics-data-files

[4] Exemptions from needing DQC: https://www.gov.uk/guidance/driver-cpc-exemptions-examples#exemptions-from-needing-driver-cpc

Table 1.1 Current HGV driver numbers

Table 1.1 shows various measures of the number of HGV drivers in Britain – not all measures are available for all years, but the table spans the period 2018 to 2024.

GB Measure - values in thousands	2018	2019	2020	2021	2022	2023	2024
ONS Occupation = HGV driver (SOC8211)	295	295	271	267	285	256	261
All DCQ holders total	591	617	617	620	620	684	698
DQC + CE licence (can also drive C vehicles)	415	-	426	-	425	476	-
DQC + C only licence (cannot drive CE vehicles)	176	-	191	-	196	208	-
Tachograph card C1,C,C1E & CE	-	573	577	495	615	628	627
All HGV licence holders - total	946	953	944	911	967	981	977
CE licence inc auto & DB	574	607	599	570	615	629	626
C only licence inc auto	372	346	345	341	352	352	351

The number of HGV drivers has fluctuated over the past decade. 2021 was a year of genuine crisis with respect to HGV driver numbers. This is reflected in the figures in the table above showing both a dip in HGV driving licences and those working as HGV drivers.

Following the summer of 2021, the government introduced 33 measures to ease the driver shortage[5]. From 15 November 2021 the government removed the requirement of staged licence acquisition, reverting to pre 1997 licence acquisition, allowing learners to go straight to a CE licence test from a car licence.

Within the measures, was a funded training scheme. HGV driver skills bootcamps were introduced with £34m pledged to train new drivers. There have been 2 subsequent waves of investment which are due to end in February 2026.

By 2023, there were the highest numbers of HGV licence and DQC holders for a decade.

Number of registered HGVs

An HGV licence is required to drive a heavy goods vehicle over 3.5t. There are a total of 535,000 large goods vehicles over 3.5t in the UK. It may seem that there are plenty of HGV drivers with DQCs to drive this number of vehicles, but as already explained, drivers are required for holiday and sickness cover (which could uplift the number required by more than 10%). Some vehicles may be working 7 days per week (an additional uplift of 40%) and some may be double shifted (further doubling the number of drivers required to staff the vehicle). In reverse, where vehicles are for leisure purposes they might only be subject to occasional use.

Regional impact

The regional impact of the reduction in numbers of HGV drivers has not been evenly spread. The table below shows the relative prevalence of HGV drivers working in the different regions, by calculating the number of drivers per thousand of the working population in that region.

Relative prevalence of people working as large goods vehicle drivers = number per 1000 working population

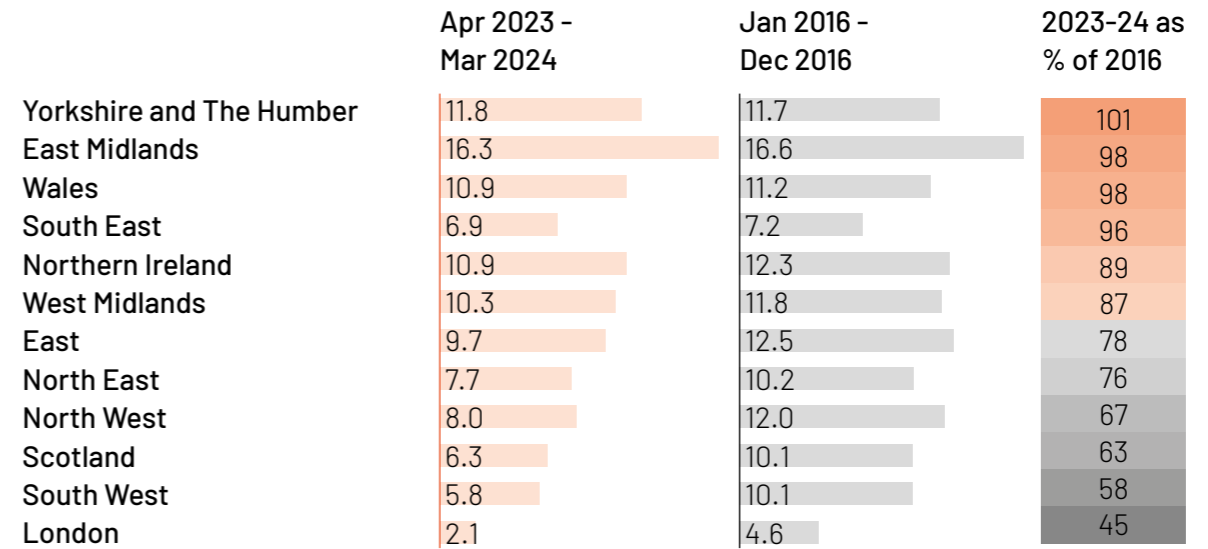|	Apr 2023 - Mar 2024	Jan 2016 - Dec 2016	2023-24 as % of 2016
Yorkshire and The Humber	11.8	11.7	101
East Midlands	16.3	16.6	98
Wales	10.9	11.2	98
South East	6.9	7.2	96
Northern Ireland	10.9	12.3	89
West Midlands	10.3	11.8	87
East	9.7	12.5	78
North East	7.7	10.2	76
North West	8.0	12.0	67
Scotland	6.3	10.1	63
South West	5.8	10.1	58
London	2.1	4.6	45

Table 1.3 Regional pattern & change of HGV drivers as proportion of working population

Yorks & Humber, East Midlands, Wales and the South East have all roughly maintained the level of drivers from 2016, but all other areas have seen a decline in level. It is worth noting that the South West was one of the areas where there were particular difficulties during the driver crisis in 2021. While it is not surprising that London has a low prevalence of HGV drivers, HGV traffic levels in the capital are known to be in decline.

Table 1.3 shows the proportion of the working population who say they are working as HGV drivers in the different regions of the UK. It shows the period April 2023 to March 2024 and 2016 and shows 2023-4 as a percentage of 2016.

The region with the largest proportion of people working as HGV drivers (SOC 8211) was the East Midlands (16.3 out of 1000 working people). In only one region, Yorkshire and The Humber, has the proportion of people working as HGV drivers grown, by a tiny fraction. In three other regions there is a small decrease.

In the other eight regions, the proportion has reduced, in some cases by a substantial amount. London and the Southwest has shown the largest reduction. London has only 45% of the drivers it had in 2016, when it already had the lowest prevalence to start with (4.6 per 1000, now down to 2.1 per 1000).

Summary of HGV driver workforce numbers

Using the Driver Qualification Card (DQC) driver numbers, as of 2024, there were the highest number of HGV drivers with a valid licence and DQC card since records began - there are currently 684,000 HGV drivers qualified to drive professionally. There are various measures for the number of people who can be classed as HGV drivers. The DQC provides the best measure of the number of people who are available to drive HGVs.

However, using the ONS figures there are an estimated 261,000 people saying they work as an HGV driver, lower than in 2018. The reliability of the ONS Labour Force Survey data due to the low survey response rate means the DQC number is the most accurate measure of active drivers,

There are a further 293,000 people who have a current licence, but who don't need a DQC because they are either driving a vehicle that does not need a DQC (scaffolders, and large horse boxes only used for hobbies) or who are not actively using their licence and cannot justify doing 35 hours of Driver CPC training to maintain a DQC.

There are then an unknown number of people who had an HGV licence at some point in the past, but who have let their driver medical lapse, as they do not have any need or use for their licence that justifies spending money on a medical.

Concluding this section, it can be seen that there are a number of elements of risk, in particular that people who have an HGV driving licence but stop paying for their driver medical and CPC training and seek other employment when driving work dries up. This means that when the economy does pick up, there may well be a driver shortage as we examine in more detail later in this report.

2 *Drivers demographics*

The narrow demographics of HGV drivers compared with the general population and other occupations is a particular problem. This section examines this in more detail and looks at how HGV drivers compare with the general population on demographic measures.

Age profile

HGV drivers have a very different age profile to the general working population. The majority of HGV drivers are between the ages of 50-59 years old.

The proportion of young people under the age of 24 driving HGVs is small – the 2021 census indicates that only 1.6% of people working as HGV drivers were aged 24 or under at that time.

Figure 2.1 Age profile of large goods vehicle drivers versus working population.

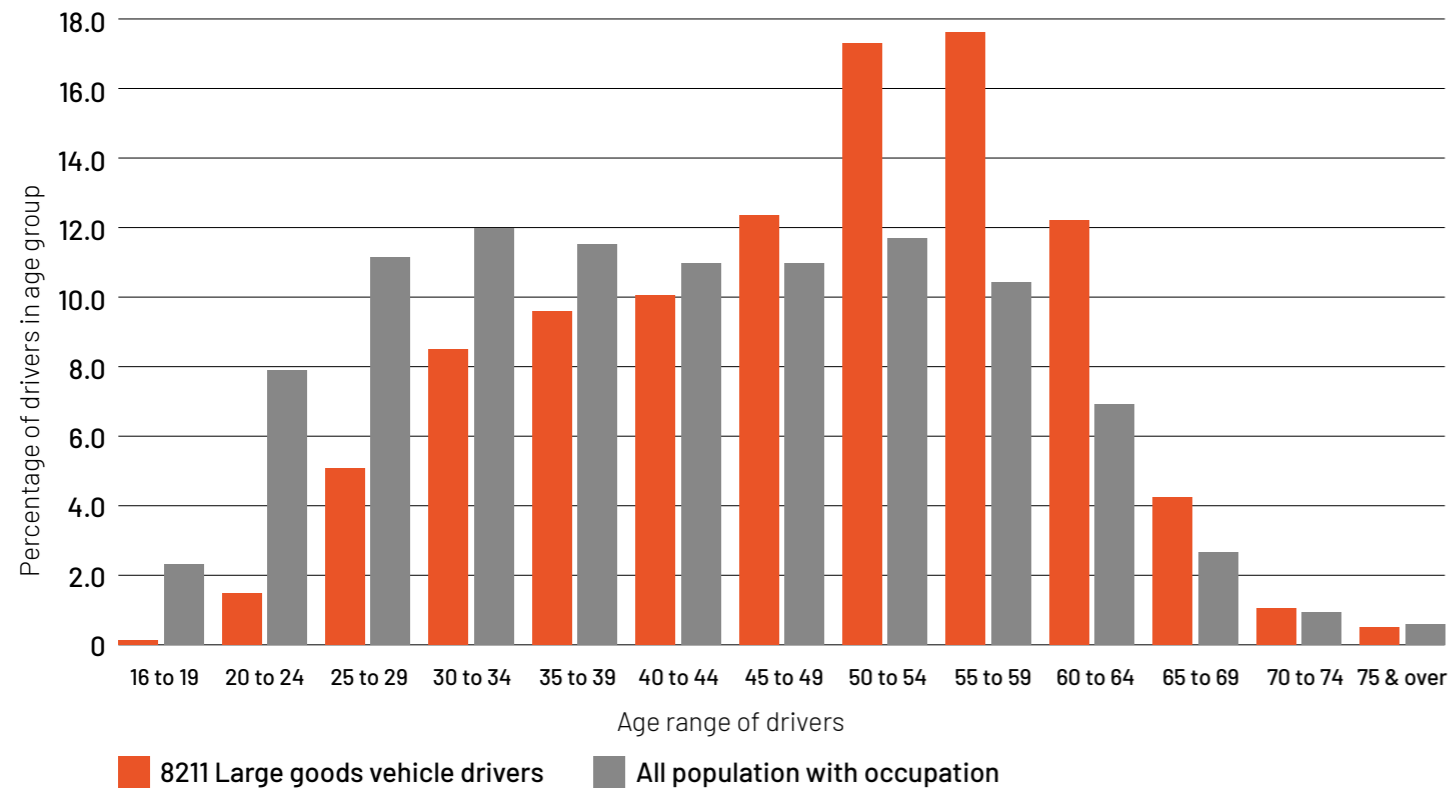Different age profiles - by percent: Census 2021 England & Wales

Figure 2.1 is a graph showing the age profile of people who say they are working as HGV drivers compared with the age profile of the working population. The data for this graph came from the census in 2021, and is for England & Wales.

On the X-axis there are age ranges in five-year bands apart from the extremities. The Y-axis shows the percentage of people in each age group. The grey bars show the age profile of the general working population, and the orange bars show the age profile of people in SOC 8211, HGV drivers.

It is obvious looking at the graph that the grey bars show a younger and flatter age profile, whereas the age profile for drivers, in orange, peaks markedly for the age bands 50-54 and 55-59 years old.

Figure 2.2 Age profile of DQC holders in September 2023

Figure 2.2 is a graph showing the age profile of DQC holders in 2023.

The age profile for all HGV licence holders from DVLA data shows a different pattern yet again. This chart also shows how the number in each age bracket has changed over the past six years.

Age profile by number (GB): DQC holders as at September 2023
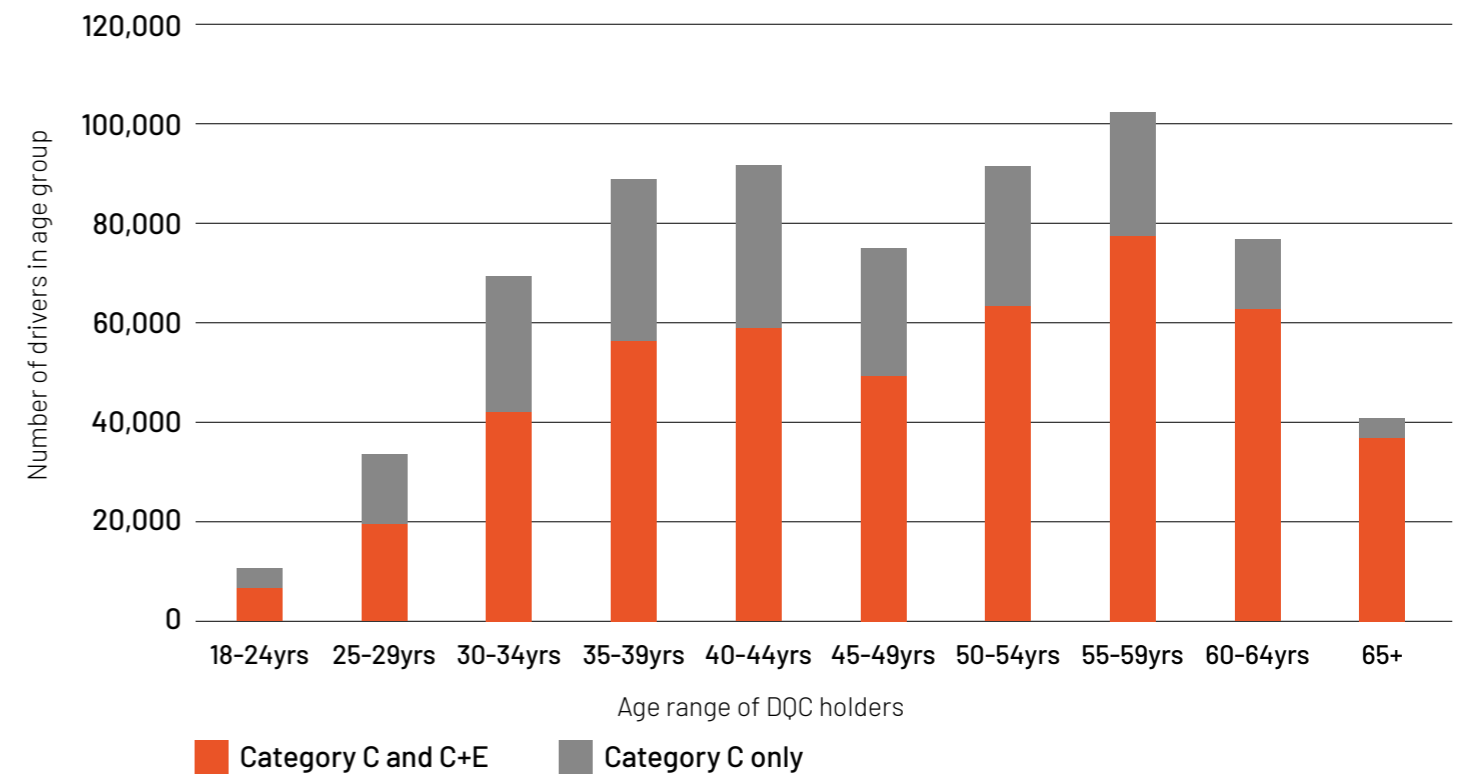
The impact of the requirement to have 5 yearly medicals from the age of 45 can be seen clearly by the drop in numbers showing just how many licence holders do not need or are not using their licences for any reason that justifies paying for a medical. A similar drop off can be seen as there is an annual requirement from the age of 65, although this will also be driven naturally by retirement.

On the X-axis there are age ranges in five-year bands apart from the extremities. The Y-axis shows the number of people in each age group. The orange bars show the number of people with CE licences with DQCs, and the grey bars, the additional number of people with C only licences with DQCs.

The graph shows that the number of younger DQC holders is small and that the age band with the largest number of DQC holders is in the category 55-59 years old.

Figure 2.3 Age profile of HGV licence holders

Figure 2.3 is a graph showing the age profile of HGV licence holders over a number of years. On the X-axis there are age ranges in five-year bands apart from the extremities. The Y-axis shows the number of people in each age group.

Age profile by number: HGV licence holders, showing change over time
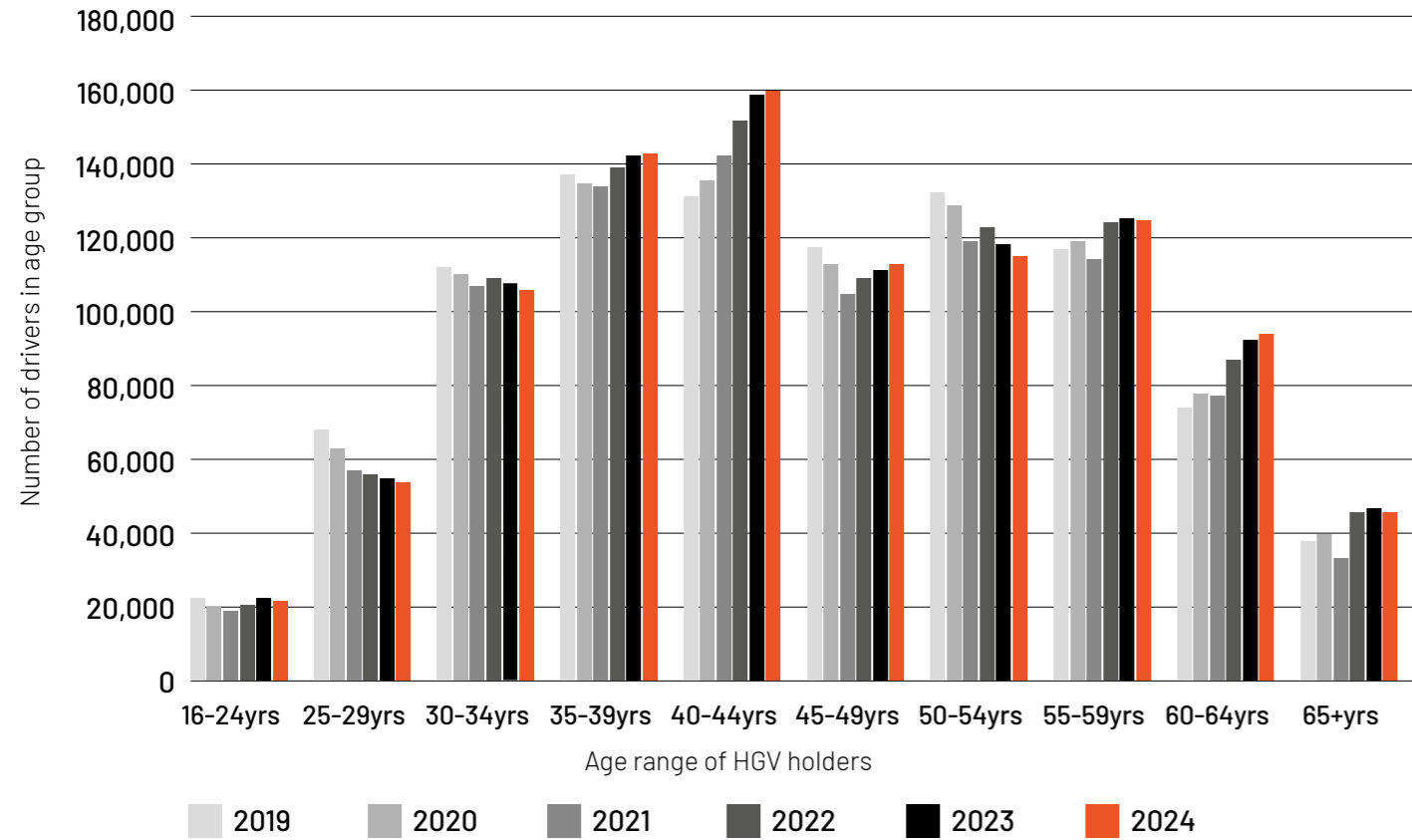
Six years of data is shown, with 2019 to 2023 shown in increasingly dark shades of grey and the latest year, 2024, in orange. This graph shows a different age profile to both of the previous two, with the age band 40-44 years old currently having the largest number of licence holders in an age band. The sharp drop-off at 45, when the first age related medical is required, can be seen.

In 2023, in an analysis piece about what the 2021 Census had revealed about occupations dependent on older and younger workers, the ONS specifically referred to HGV drivers.

Table 2.4 Percentage of working population and HGV drivers aged under 24 and 44

Table 2.4 shows figures for the working population in general and the various measures of the number of HGV drivers.

	% aged 24 & under	% aged 44 & under (inc. 24 & under)
Working population E&W 2021	10.3	55.8
HGV licence holders GB 2024	2.2	49.7
DQC holders GB 2023	1.6	43.2
Working as HGV drivers E&W 2021	1.6	34.9

The figures for the working population are from the 2021 census for England & Wales, as are the figures for those working as HGV drivers. The 2023 DQC and 2024 HGV licence holder figures are for GB and are from DVLA. In each case the proportion of people aged up to 24 years and up to 44 (including those 24 and under) are shown.

The percentage of people up to 24 years of age in the general workforce is 10.3%, whereas only 2.2% of HGV licence holders, 1.6% of DQC holders and 1.6% of SOC 8211 are 24 and under. The percentage of people aged 44 and under in the general workforce is 55.8%, whereas only 49.7%, 43.2% and 34.9% respectively are in the various HGV categories, again emphasising the older age profile of drivers.

EU drivers

Most people who have responded to ONS surveys who say they are working as HGV drivers are originally from the UK, with very few from non-EU countries. The proportion of drivers from the EU[6] was below 10% in 2015, rising to 14% in 2019, falling during Covid to 10% and then rising again to 13-14% in 2023.

The tax changes to IR35 along with Brexit and Covid have been major element of losing EU drivers.

It is believed that a combination of drivers who have EU settled status and the introduction of biometric checks at borders may lead to some current drivers not being available to the sector at some point in the near future when the 90-day limit within a 180-day period will be tightly controlled with the introduction of the Entry Exit System in a way which is impossible right now.

Diversity of the HGV driver population

Only 5.3% of HGV drivers are not ethnically white compared with 16.3% across all occupations. 83% of HGV drivers are 'White: English/Welsh/Scottish/Northern Irish/British' compared with 74% of people working in all occupations. 11% are 'Other White' compared with 8% across all occupations. The proportion of 'Other White' working in SIC 49, Land transport, was 8.6% and in SIC 52, Warehousing, 15.3%. The census occurred at a period when some Europeans had returned home because of a combination of Covid, Brexit and IR35.

Less than 2% of HGV drivers are female. There are signs that this is gradually changing, with 4.5% of drivers under the age of 30 being female, however this is a small percentage of a relatively small group of people.

The vast majority of HGV drivers reported that their sexual orientation was 'Straight or Heterosexual', along with the rest of the population. This wasn't a question in the census that it was obligatory to answer, but drivers were slightly more likely to answer. 1% of HGV drivers report that they are not straight, compared with 3.5% across all occupations.

The proportion of disabled people across all occupations was just under 9.6% and the proportion working as drivers was just over 7.8%

The demographic mix of drivers is a narrow one. Of those born in the UK, the main body of workers is of older, white males. And in the relatively recent past this group has been supplemented by a dependency on EU drivers, often working outside PAYE.

[6] ONS on nationality of SOC 8211: https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/adhocs/14398hgvdriversbynationalityand10yearagegroup

This section looks at the number of HGV driving tests and passes and some of the barriers facing newly qualified drivers trying to find work. The DVSA statistics for passes for the practical element of HGV tests are included below.

Table 3.1 HGV practical test passes

Table 3.1 shows the figures for the number of people passing HGV driving tests. Figures for the years 2018-19 and 2019-20 are 43,065 and 41,434 respectively. The impact of Covid can be seen in the dramatic drop-off in 2020-2021 to 16,022, and then the impact of the focus on driver numbers in 2021-22 with with 56,281 and 2022-23 with 62,10 test passes.

Large goods vehicle practical test passes - GB inc C1&C1E NB Please read text above for provisos around these figures	
2018-19	43,065
2019-20	41,434
2020-21	16,022
2021-22	56,281
2022-23	62,101 (CE and C only)
2023-24	42,017 (CE and C only)

**2023-2024 is not a full year but there are signs tests are returning to pre-covid numbers.

The pass rate for practical tests has generally hovered around 58-59%. It's a little lower for people for people going straight from car to CE licence at 57.1%. This data covered just under 71,000 C or CE tests in the April 2023 to March 2024 period.

Prior to November 2021, there was the requirement for drivers to achieve a C licence prior to achieving CE. In addition, these figures also include C1 and C1E tests for vehicles below 7.5T. These two aspects make it difficult to assess the number of newly qualified drivers with C and CE licences, as there are both 'duplicates' (the same driver taking the two separate tests) and passes for drivers of smaller vehicles included. The figures will also include some drivers who are retaking tests because of previous licence loss.

The impact of Covid can be clearly seen. The HGV driver bootcamps were launched in December 2021, now extended to February 2026. Although these bootcamps have been a success story, it requires a significant number of applicants due to the high dropout rate in the application process.

The demographics of the applicants are different to the existing cohort of drivers. There are a wide range of ages, but mainly 32-50 years old. 10% were female, 62% were white British and at least 23% not ethnically white. 12% were 'Other White' which is broadly in line with existing drivers. These proportions vary between different regions of the country.

It is important to note that having passed tests not all drivers choose to use their acquired licences. Sadly, many new drivers never get started in the sector because of onerous insurance costs. It is also worth noting that the HGV test in no way reflects knowledge of the multitude of different jobs.

3 Newly qualified drivers

This excerpt from a job ad on the website of a well-known recruitment agency has some typical restrictions, including calling for 2 years' experience:

To be a successful class 1 Driver, HGV 1 Driver, LGV 1, Cat CE, Class 1 Driver, you will have the following skills and experiences:

- Must hold a UK HGV 1 UK driving licence.
- Must have at least 2 years' experience driving a Class 1 vehicle in the UK.
- Have a maximum of 6 points for minor offences no DR and IN endorsements for insurance purposes.
- Hold a valid CPC DQC.
- Have excellent knowledge of driver hours and regulations.
- Experience using refrigerated units would be an advantage.

These requirements can also make it difficult, not just for drivers who have recently passed their tests, but also for older returning drivers to get restarted in the industry, with this advert from the same agency calling for 180 days driving in the past 2 years:

To be successful in this role: you will need:

- A valid UK HGV 1 UK driving licence, held for at least 2 years
- At least 180 days of experience driving a class 1 vehicle in the UK, within the last 2 years.

In summary, there is a considerable funnel effect for any recruitment, and the number of applicants, training starters, and the resulting number of people willing and ready for driving work means that considerable effort will continue to be needed to get the end number of trained drivers required. Even then, it can sometimes be difficult for those drivers to find work due to the experience requirements by employers as a result of high insurance premiums for newly qualified drivers.

Skills Bootcamps

The HGV driver skills bootcamps have enabled businesses and learners a funded route for HGV licence acquisition. The 16 week programme, compared to the 12 month driving apprenticeship, is better suited for the training of new drivers.

The bootcamps have attracted a greater diversity of learner, with 8% of starts identifying as women and 32% identifying as non-white British. https://assets.publishing.service.gov.uk/media/66e9a3f824c4f1826d81bcbd/Skills_Bootcamps_Wave_3_Implementation_Report.pdf

The HGV driver bootcamp is due to end in February 2026. The government through, Skills England will be consulting in 2025 on greater flexibility within the Apprenticeship Levy, now Growth and Skills Levy, foundation apprenticeships and shorter apprenticeships. It is also proposed that there will be greater devolution of skills funding.

According to Department for Education data, 10,220 started the HGV driver bootcamp with 47% gaining employment from the training. For those training providers contracted to provide the bootcamps, the uncertainty of future funding is preventing investment in resources and if the bootcamps are not renewed then some training providers are at risk of insolvency.

The uncertainty of the long-term future of the HGV bootcamp programme is preventing our members committing to future investment in specialist vehicles and instructors. Some members have now run out of budget and are having to put learners on a waiting list.

Having narrowly survived the existential threat caused by the pandemic, many of the Logistics Skills Networks members have fragile balance sheets and need encouragement to invest.

Our members need to invest in the additional capacity needed to tackle the future demand identified in this report. Government urgently needs to demonstrate a long-term commitment to funding a national HGV driver training programme.

David Coombes, chair of the Logistics Skills Network comments.

4 Drivers leaving the sector

There were nearly 41,000 DQC holders who were 65+ in 2023, although it is unlikely that all are using their licences regularly. There is an average of 18,000 per year, currently under 65, likely to retire over the next decade. The age of 65 is used, as this is the point that yearly medicals are required, although we recognise that the state retirement age is increasing.

Retirement is only one reason for drivers leaving the sector. Data from the ONS[8] indicates that an increasing number are leaving for health reasons and over a third leave for other reasons.

Health reasons will include physical issues to do with lifting and moving loads, the sedentary nature of the actual driving and poor diet out on the road, mental health issues such as loneliness and stress (including from compliance demands, tight time windows and driving an HGV in traffic), as well as the general health issues that can affect anybody during the course of their lives.

Other reasons for leaving may well include the nature of the driving job which can have antisocial start times, long and unpredictable hours and, for some roles, extended periods away from home or nights out (referred to as tramping). For younger people who value their social lives, the early starts are a reason for leaving, or not even pursuing, driving as a career. Slightly older workers find that the job is not family friendly, as with most families now needing two earners, it is not easy to accommodate a share of family responsibilities such as childcare.

Drivers can also be concerned about the safety aspects of being responsible for cargo when parked in laybys and service stations for breaks. The 2023 Trucking Lives survey showed[9] that this was a recurring theme when drivers were asked why they had quit or considered quitting. In the survey, over 60% of former drivers chose 'improve provision and quality of roadside services' making it the most popular response when asked which action by the government could improve the working conditions of HGV drivers.

It is quite typical for companies to use agencies to provide some of their resource in order to maintain efficiency and flexibility. Equally, some drivers want to work via agencies in order not to commit full time and/or regularly to the anti-social aspects of the role, and to increase earning power. However, this does mean that it's not always clear whether someone is available for driving work, particularly with the increased economic inactivity levels.

The following chart shows the changes in large goods vehicle driver pay (solid orange line) from 2016, along with how one might have expected it to change if it had changed at the same rate as general pay rates (dashed orange line) or reflecting inflation as indicated by the Consumer Price Index (shown as solid black line).

Figure 4.1 Driver pay versus general wage growth and inflation (axis as per table)
8211 Large Goods Vehicle Drivers Gross Hourly Pay
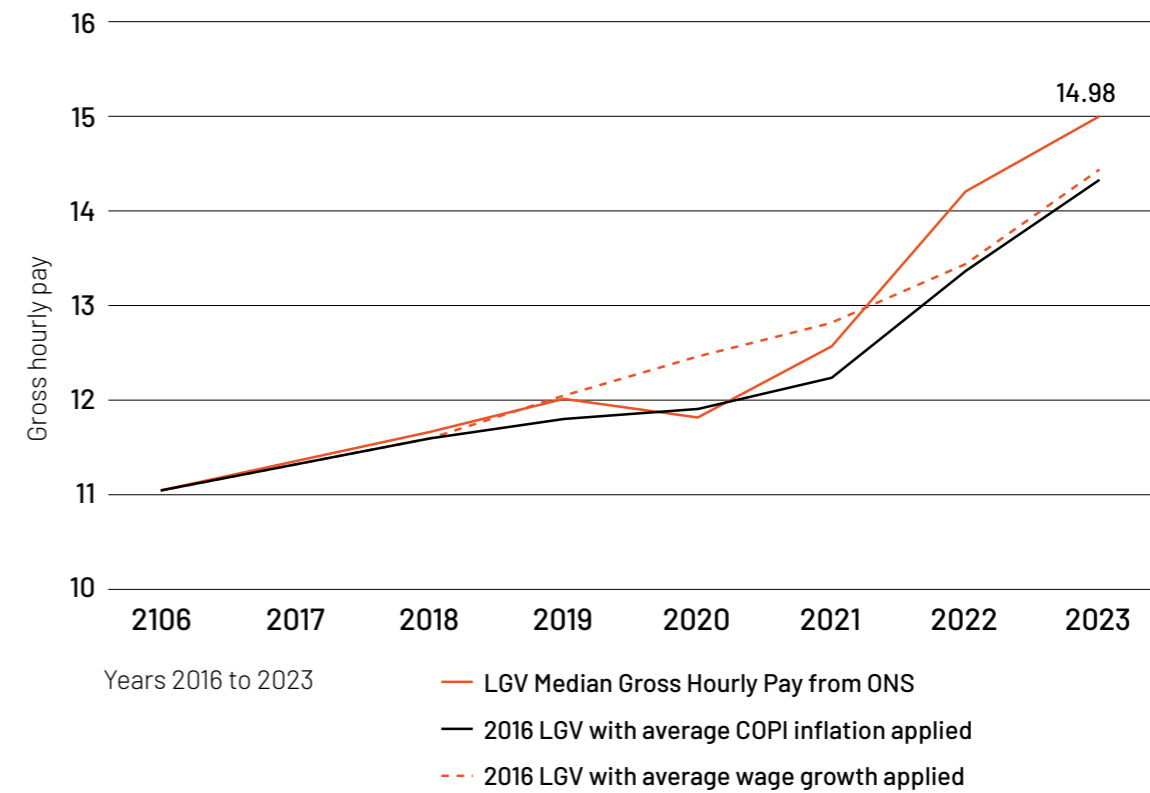
	2016	2017	2018	2019	2020	2021	2022	2023
LGV Median Gross Hourly Pay from ONS	11.04	11.36	11.66	12.02	11.83	12.55	14.17	14.98
Annual Factor Increase		1.03	10.3	10.3	0.98	1.06	1.13	1.06

Figure 4.1 is a graph showing driver pay versus other measures over a number of years. The X-axis spans 2016 to 2023 and the Y-axis shows the various measures of pay in each year.

The orange solid line shows the median gross hourly pay for HGV drivers published by the ONS each year, with a provisional entry for 2023, the black line shows the 2016 HGV pay with average CPI inflation added each year and the orange dotted line shows the 2016 HGV pay with average wage growth added each year. The graph shows driver pay decreased in 2020 when wage growth generally was increasing and was still behind in 2021, the year of the driver crisis. It then moved ahead of general wage growth in 2022 and remained ahead in 2023.

The table below the graph shows the actual values for HGV median gross hourly pay from the ONS and also the increase factor each year, further demonstrating what the graph is showing. These figures are from the ONS ASHE[10] (annual survey of hours & earnings), and the provisional figures for 2023 showed that driver pay then remained above average across all occupations. These are average pay rates, driver pay for day shifts versus nights can be significantly different.

According to recruitment specialist Adzuna, the average HGV driver salary is £35,727. This is 11.4% below the national average advertised salary of £40,335. Year-on-year pay for HGV driver jobs has gone up 23.7%, compared to an annual change of 0.5% for all jobs, as of January 2025.

Meanwhile, the number of HGV driver job ads is 41.4% lower than last year, with 11,015 current vacancies.

[8] Numbers of HGV drivers in previous job, by reason for leaving previous job: https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/adhocs/14372numbersofhgvdriversinpreviousjobbyreasonforleavingpreviousjob

[9] Trucking Lives – formal output from this academic study using quantitative surveys and qualitative interviews into the lives of truck drivers: https://truckinglives.co.uk/outputs and https://truckinglives.co.uk/bulletins-and-briefs

[10] ONS Annual Survey of Hours & Earnings: https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours/bulletins/annualsurveyofhoursandearnings/2023

There have been significant changes to the UK economy and its impact on road freight, including the UK's departure from the EU, the pandemic, home shopping, working from home and the cost-of-living crisis. The impact of inflation has depressed freight volumes, which have then been further depressed by higher interest rates.

This section looks at how monthly GDP estimates, retail sales, manufacturing output, construction and import and exports illustrate the recent economic situation and how it affects logistics businesses and in turn HGV drivers.

Gross Domestic Product (GDP)

The official way of measuring the economy is Gross Domestic Product (GDP) which measures the value of goods and services produced in the UK. It estimates the size of and growth in the economy. From the table below, coming out of the pandemic, the economy has not been growing at the rate that it did prior to that. However, between 2011 and 2022, GDP increased by nearly 20% and the UK population increased by 6.9% over the same period in ONS population estimates.

Table 5.1 GDP index from 2007 (axis as per table)

Figure 1: UK GDP is estimated to have fallen by 0.1% in October 2024, but increased by 0.1% in the three months to October 2024
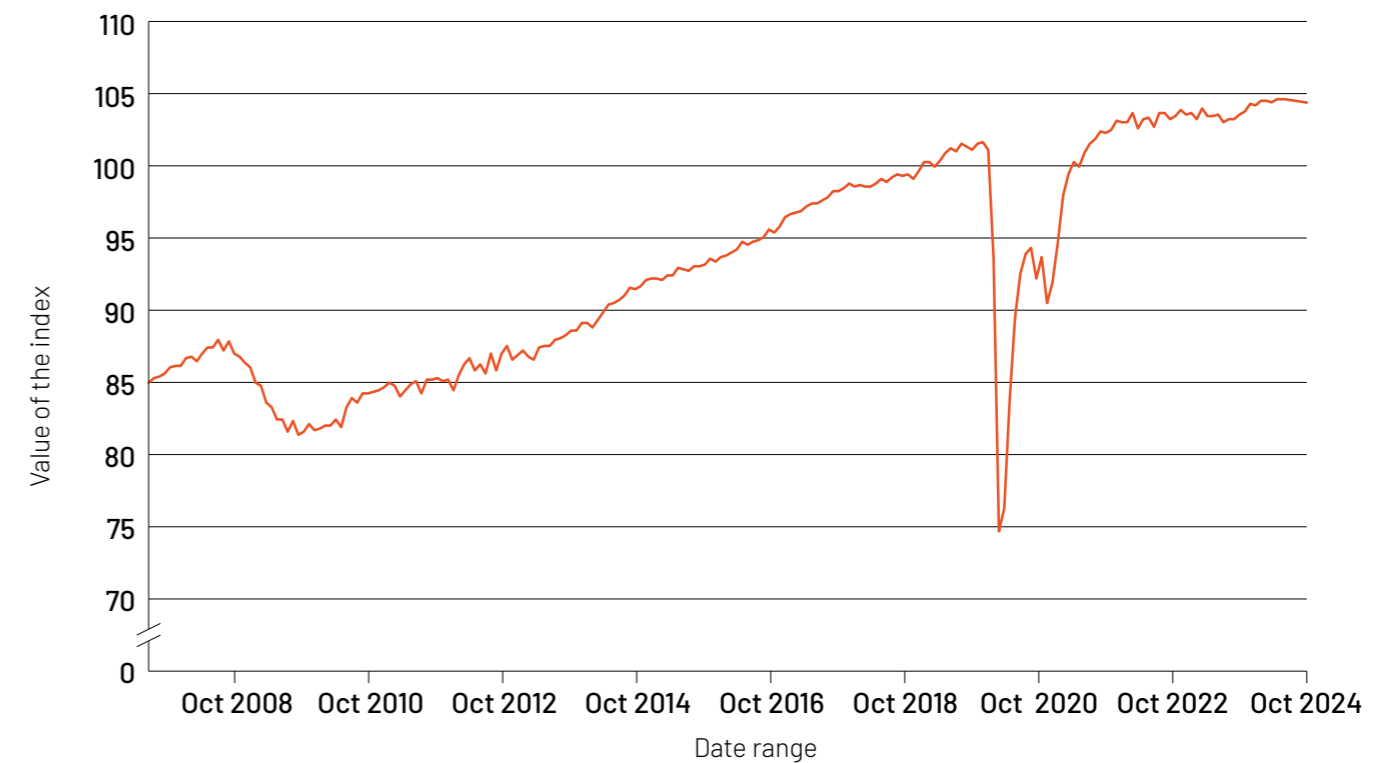
Source: GDP Monthly Estimate from the Office for National Statitics

Figure 5.1 shows GDP as an index from 2007 to October 2024, the most up to date available at the time of writing. The X-axis shows the dates and the Y-axis the value of the index (2019 = 100).

The graph shows reasonably consistent growth following the global financial crash until the impact of Covid lockdowns. The graph shows there has been little in the way of growth since the recovery from Covid.

[1] ONS Population growth by constituent country: https://www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/populationestimates/bulletins/annualmidyearpopulationestimates/mid2022

5 Recent economic impact

Retail sales

The chart below demonstrates how ONS figures for retail sales[12] have been affected during and since Covid. The black lines represent all retail sales including food but excluding automotive fuel. The orange lines are for food only. In each case, the solid line is for monetary value and the dashed line for physical volume. The Covid effect can be seen on general sales (the trough in the black line), and it can also be seen that while the nation has been spending more money on food and in general, the freight volumes have declined markedly since the Spring of 2022. Retail sales are revisited in the next section.

Figure 5.2 Retail sales and volume (axis as per table)

ONS GB Retail Sale – Rolling annual value in £m – All retail exludes automotive fuel & Associated volume is referenced to 2019
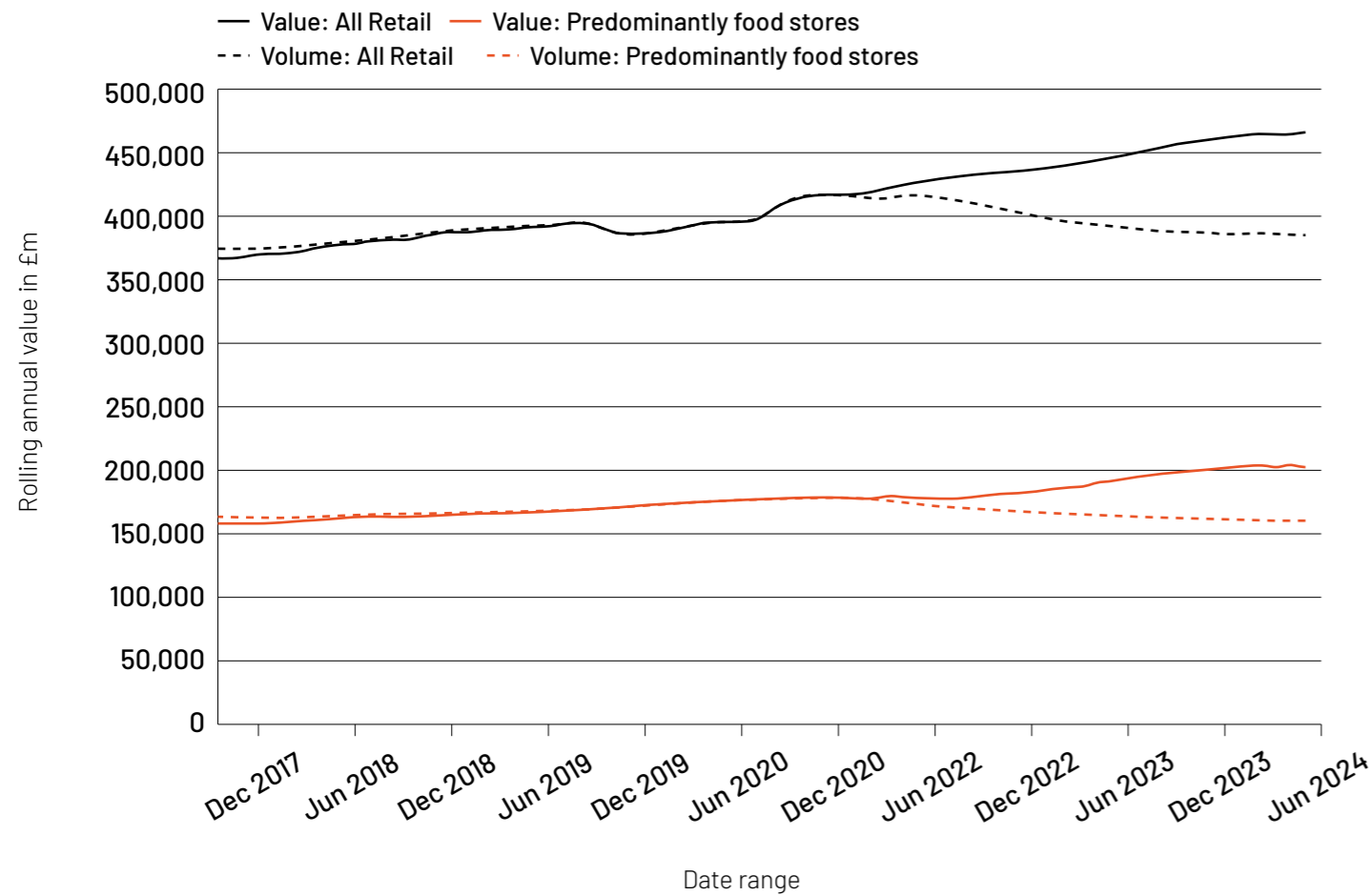

Figure 5.2 shows retail sales from 2017 through to 2024. The Y-Axis shows rolling annual value in £m. There are four traces on the graph showing value as continuous lines and volume as dotted, and in each case retail is shown in black and predominantly food stores in orange.

The graph shows the impact of Covid on overall sales, but not on food. It then shows that what the public were spending both generally and on food continues to grow, but that the volume being bought started to shrink markedly.

This reduction in the physical volume of food and other merchandise being bought is one of the factors that has had an impact on reduced business for hauliers.

Manufacturing

Another area that affects haulage volumes is manufacturing. This chart is from a House of Commons Library briefing[13] and shows the 3-month percentage change on the year before. The dates below the chart have been repositioned to make the point in time clearer.

This chart does not show volumes of manufacturing, but rather how those volumes have been changing. The HoC Library reports: "Manufacturing output for the three months to May 2024 was 0.3% lower than in the three months to February 2024." but that "Output in the three months to May 2024 was 0.6% higher than output in the same period the previous year." The volatility can be seen, but the end result from ONS figures[14] is that the volume of manufacturing in the UK in May 2024 was 1.5% above the average across 2019.

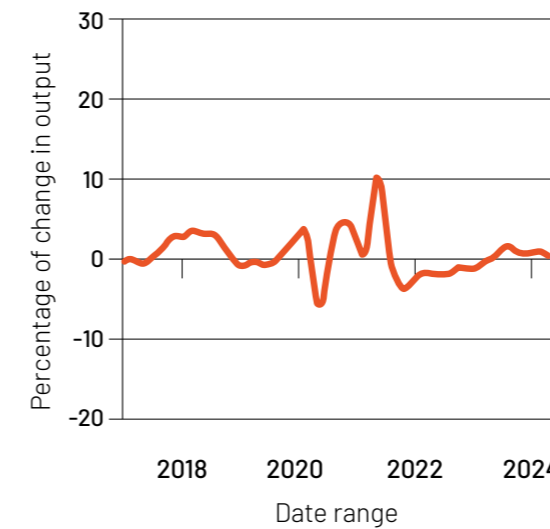Figure 5.3 Retail sales and volume

Figure 5.3 shows manufacturing output over the past seven years. It is taken directly from the House of Commons Library and is a little different to most of the other graphs in that it is showing percentage rate of change of each three month period against the year before. What the graph shows is the volatility, not just during Covid but both before and afterwards.

ONS reporting on manufacturing at the same time commented that: "The largest negative contribution to manufacturing growth in May 2024 came from manufacture of transport equipment, which fell by 0.7%, solely from a fall of 1.8% from motor vehicles, trailers and semi-trailers." The latter two categories indicate that hauliers are purchasing less equipment.

Construction

Construction represents a significant volume of work for the logistics industry. The new government has set a target to deliver 1.5 million new homes over the next five years which will have an impact on construction haulage volumes.

The ONS construction output[15] volume figures which are seasonally adjusted with an index set at 100 for 2019 as a whole, show output is estimated to have fallen by 0.4% in October 2024, following an increase of 0.1% in September 2024. The fall in monthly output in October 2024 came solely from repair and maintenance, which fell by 1.3%. New work grew by 0.2%.

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[12] OONS Retail Sales: https://www.ons.gov.uk/businessindustryandtrade/retailindustry/bulletins/retailsales/june2024

[13] House of Commons Library briefing on Manufacturing: https://researchbriefings.files.parliament.uk/documents/SN05206/SN05206.pdf

[14] ONS Index of Production:
https://www.ons.gov.uk/economy/economicoutputandproductivity/output/bulletins/indexofproduction/may2024

[15] ONS Output in the Construction Industry:
https://www.ons.gov.uk/businessindustryandtrade/constructionindustry/datasets/outputintheconstructionindustry

Figure 5.4: Construction output decreased by 0.4% in October 2024, but grew by 0.4% in the three months to October 2024

Montly all-work index, chained volume measure, seasonally adjusted, January 2010 to October 2024, Great Britain

Figure 5.5: Imports from the EU decreased substantially in both value and inflationadjusted terms in May 2024

Imports and exports of goods, excluding precious metals, current prices and chained volume measures, seasonally adjusted, EU and non-EU, May 2021 to May 2024
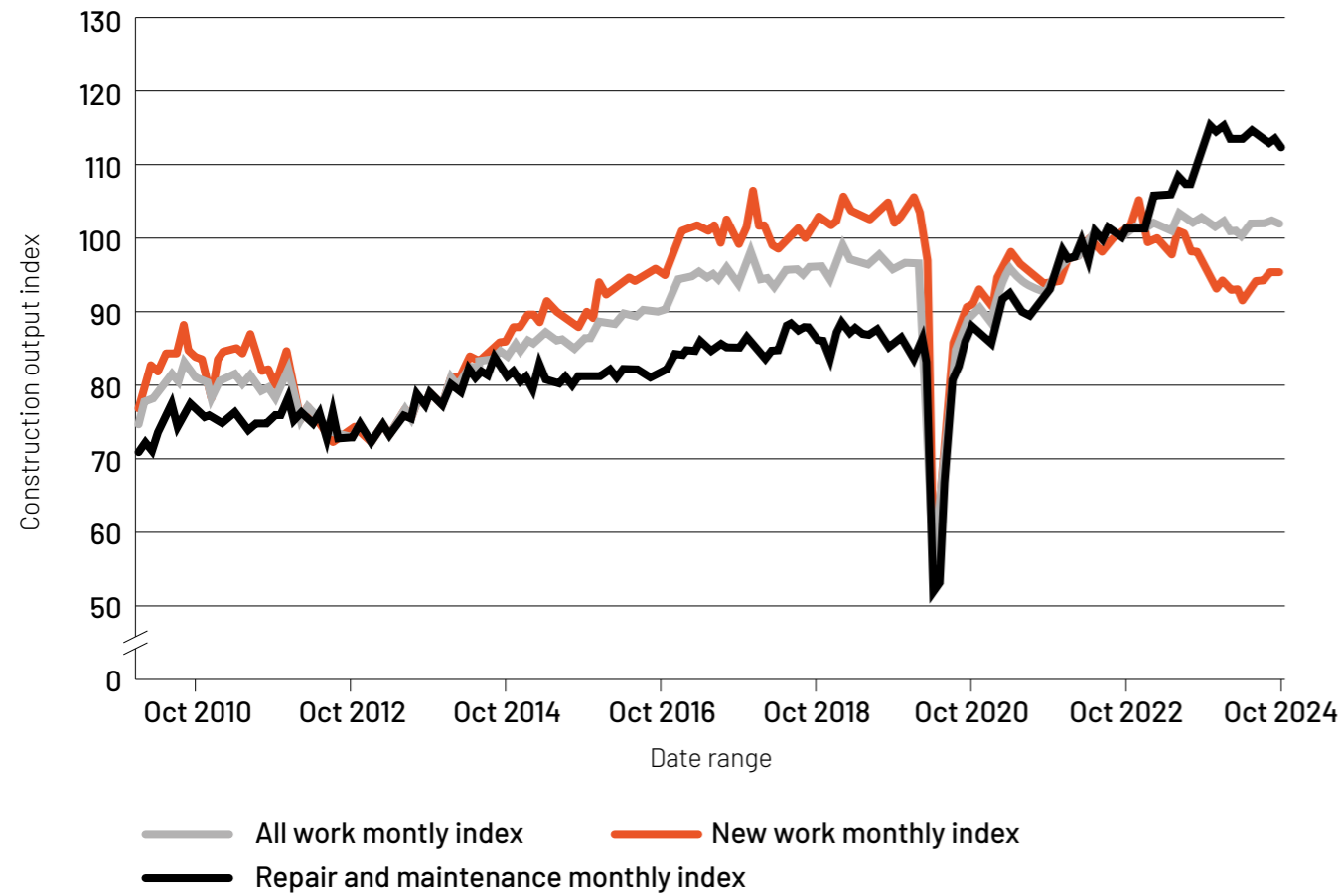
Imports & exports

The volume of imports and exports affects the volume of work for hauliers. The next pair of charts is from the ONS report[16] in July on UK trade up to and including May 2024, for the UK as a whole, for goods excluding precious metals.

This pair of charts is not just showing EU trade (left hand chart) and non-EU (right hand), exports (dotted lines) and imports (solid lines), it also shows both value (CP, black lines within the colourway) and volume (CVM, orange lines).

CP stands for 'current prices' and shows trade in value terms, not inflation-adjusted. CVM stands for 'chained volume measures' and any figures described as such have inflation removed to measure the change in volume against a reference point in 2019.

It can be seen that all measures have been in recent decline, with volume more affected than value because of inflation.
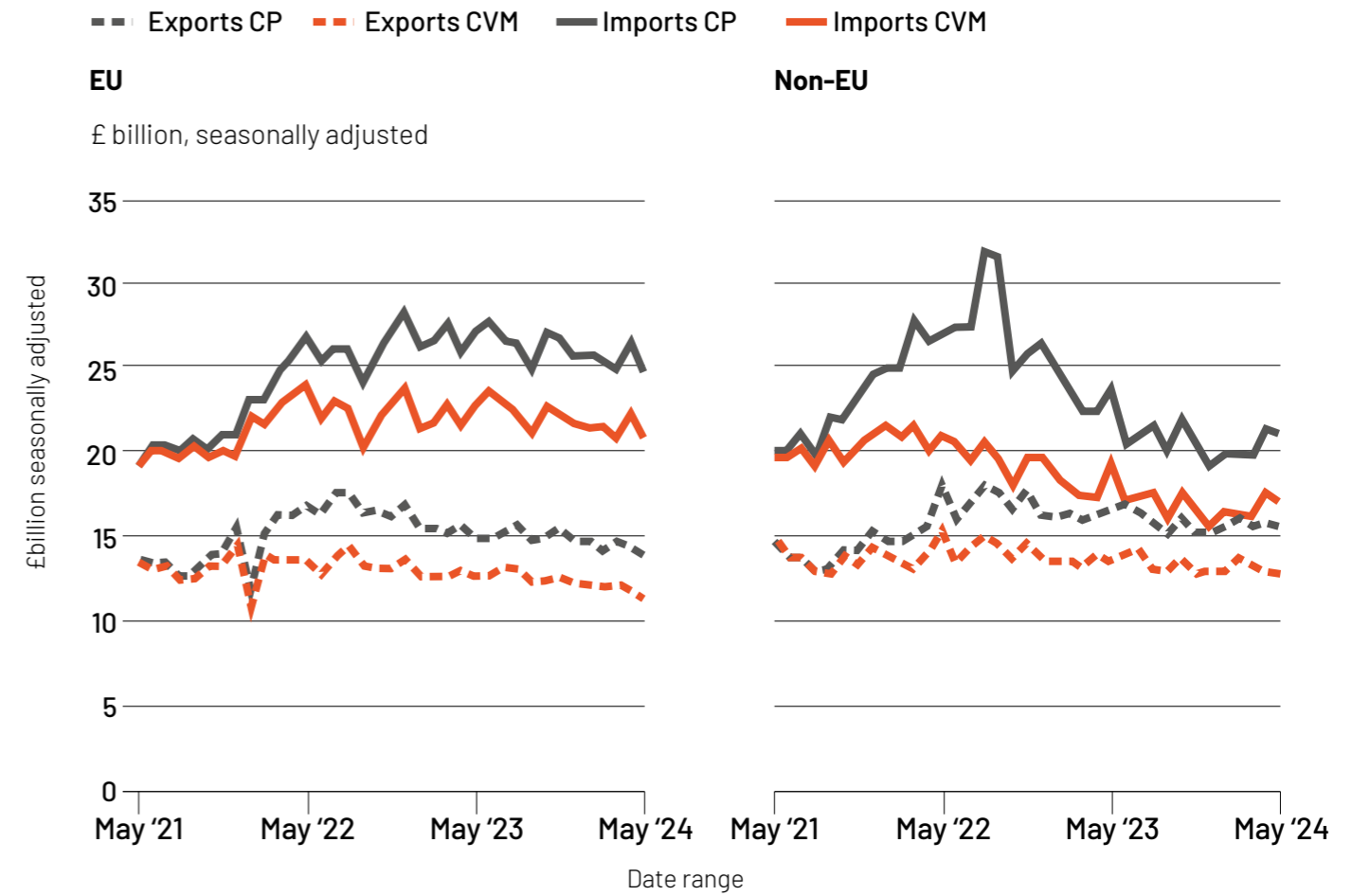
Figure 5.5 Imports & exports, cost price & chained volume, EU & non-EU

Figure 5.5 shows imports and exports, excluding precious metals but including fuel/energy, between May 2021 to May 2024. The left-hand graph is the EU and the right-hand graph non-EU. In each case exports are shown as dotted lines and imports as continuous lines. In each case, black represents cost price and orange chained volumes. Dates are along the bottom of each graph and the Y-axis shows £ billion, seasonally adjusted.

The graphs show the impact of inflation with value separating from chained volume in all cases, but markedly for non-EU imports. Although there are ups and downs, all traces show a general decline over the last eighteen months shown.

While talking about imports & exports, it's worth noting that, although there are no recent figures published, DfT statistics show that the proportion of HGV traffic in GB that was foreign-registered vehicles[17] reduced between 2017 (4.49%) and 2019 (3.91%). These figures will be for vehicles over 3.5T, not just those that require a C or CE licence.

[16] ONS on UK Imports & Exports: https://www.ons.gov.uk/economy/nationalaccounts/balanceofpayments/bulletins/uktrade/may2024

[16] DfT proportion of foreign vehicles in traffic: https://www.gov.uk/government/statistical-data-sets/road-traffic-statistics-tra

Impact of the economy on hauliers & drivers

A record number - 494 British haulage businesses - entered insolvency in 2023, nearly double the number two years earlier and 2024 has seen a significant number of insolvencies, according to the latest data from the Department for Business and Trade.

Haulage is a low margin business. Motor Transport's Top 100 report[18], which tracks the turnover and profitability of the top 100 companies in road freight in the UK, reported that average pre-tax profits were down to 2.52% for the latest year for which Companies House data was available. Hauliers and logistics companies have to be as efficient as possible, which makes it difficult to retain excess staff including drivers when volumes are down.

Figure 5.6 Vehicles over 3.5T and associated mileage

This chart shows that haulage and logistics companies have invested in vehicles for which there is now reduced work, and therefore, reduced revenue earning opportunities. Depending on how vehicle purchase has been financed, there could also be additional financing costs for these vehicles.

DfT vehicles & mileage over 3.5T - NB this chart includes vehicles & mileage for C1 drivers as well as C&CE
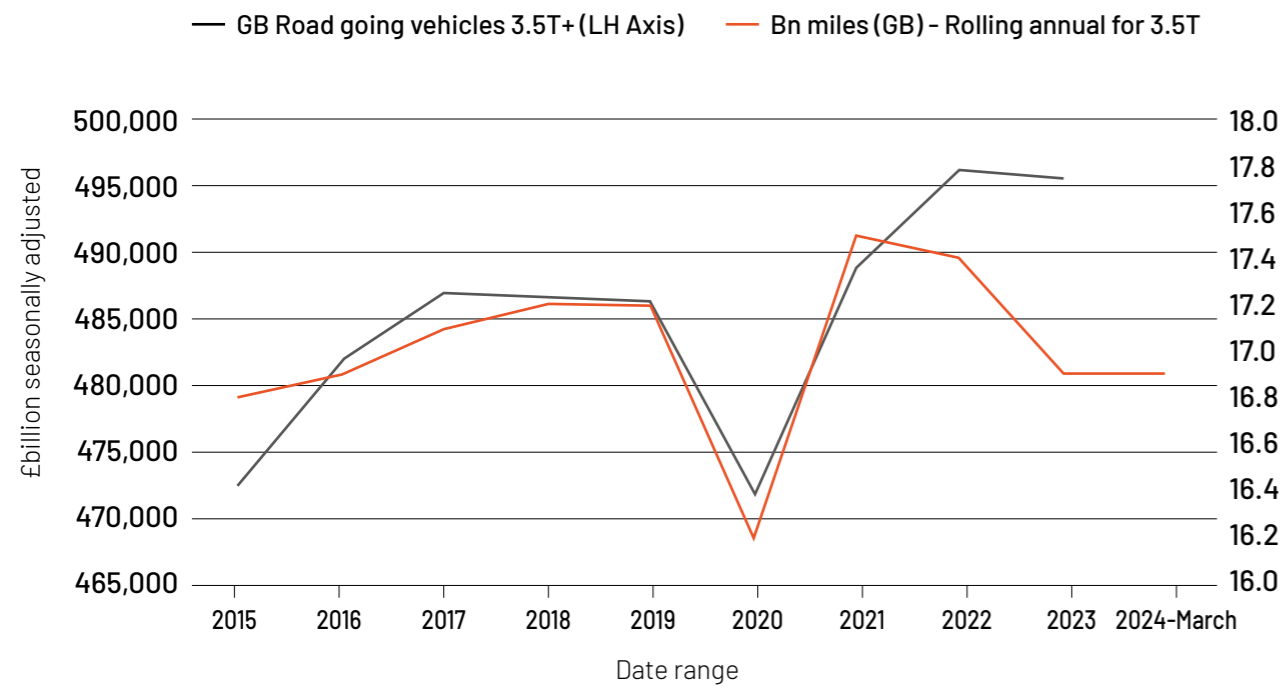

Figure 5.6 shows vehicles (shown in black) and associated mileage (shown in orange) which include vehicles over 3.5T, that is vehicles requiring a C1 licence as well as those requiring CE and C licences which are the focus of this report. The graph runs from 2015 to 2024 and has two Y-axes. The axis for vehicles is on the left-hand side and the one for billions of miles per year on the right-hand side.

What the graph is showing is the relative correlation between the two traces for the first two thirds of the graph including for the dip during Covid. The Y-axes have been selected to show the best match. But what can be seen in past couple of years is the number of vehicles rising to a level above the 2017 to 2019 level, but the mileage falling away below that level. The 'year' used for the final entry is April 2023 to March 2024 rather than a calendar year, so there is overlap with the 2023 entry, but it shows that there was no uplift in mileage in the most recently available data at the time of writing.

In summary, recent freight volumes have been considerably depressed, particularly for both food and general retail, and for non-EU imports volumes and EU exports. This has had an impact on hauliers and driving roles. Looking forward, we have a new government with a focus on housebuilding, which will be important in itself with respect to increased volumes, and which will also generate subsequent spending by house buyers.

[18] Motor Transport Top 100 report: https://motortransport.co.uk/top-100/2023

6 *Future freight volume indicators*

This section looks at possible correlations between the different measures of driver numbers and other datasets to help calculate future freight volumes.

The chart below details the compound annual growth figures for the period 2015 to 2019. It is important to note that the number of people working as large goods vehicle drivers was higher in 2016 and 2017 than in 2019 – had the 2016 figure been maintained with no further growth, the compound annual growth by 2019 would have been 2.75%, more closely aligned with retail sales volumes.

Table 6.1 Various measures over time including large goods vehicle drivers and GDP

% Growth rate each year	2016	2017	2018	2019	2020	2021	2022	2023
GB Large goods vehicle drivers (NOMIS 8211)	11.4	-2.1	-2.8	0.1	-8.0	-1.7	6.9	-10.1
GB DQC holders (DVLA FOI)	4.6	4.6	4.6	4.4	4.4	0.3	0.3	10.2
GB C&CE holders (DVLA DfT)	2.3	2.3	0.0	0.7	-0.9	3.6	6.1	1.5
GB HGV vehicles 7.5t+ (DfT)	3.5	1.9	0.9	0.6	-1.9	4.1	2.5	-0.1
GB Traffic 3.5T+ (DfT)	0.6	1.2	0.6	0.0	-5.8	8.0	-0.6	-2.9
UK Population (ONS)	0.8	0.6	0.6	0.5	0.4	-0.1	1.1	0.8
GB Retail Sales volumes (ONS)	4.6	1.8	2.3	2.9	0.7	4.5	-4.0	-2.9
UK GDP (ONS CVM)	1.8	1.8	1.3	1.5	-9.8	7.6	4.1	0.1
UK GDP (NIESR)	-	-	-	-	-10.4	8.7	4.3	0.1

Figures in orange are based on assumptions or datasets which are not direct matches for the C and CE drivers

Table 6.1 shows the percentage growth rate in various measures from 2016 to 2023 which may help with the objective of identifying trends and ratios and therefore future freight volumes. Some measures are for Britain only and some for the UK as a whole. Figures in orange are based on assumptions or datasets which are not direct matches for C and CE drivers.

The measures for drivers include the three that have already been examined:
• ONS data for large goods vehicle drivers (SOC 8211)
• DQC holders and
• C&CE licence holders.

The other measures include HGV vehicle numbers, traffic levels, population, retail sales volumes and GDP, all of which are examined further in the rest of this section.

Heavy goods vehicle numbers

Projecting the number HGVs in the future is likely to be affected by a number of factors:

• Electric vehicles restricting the payload that can be carried, because of heavy batteries, may increase the number of vehicles
• Reducing empty mileage is a much-discussed topic but there have been studies by Professor Alan McKinnon[19] showing few additional backload opportunities, and there is increasing use of vehicle scheduling software and freight exchanges
• Increased use of rail, assuming that capacity is available, would potentially reduce the number of long-distance trunking vehicles, as would longer, heavier vehicles
• Driverless trucks will start to impact the number of drivers at some point in the future, but is not felt to be sufficiently imminent to consider in this report

Population

There is little correlation between the rate of increase in population numbers and other measures of consumption. The population has grown significantly over the past couple of years, while the rate of change of retail sales has been negative. There is good correlation between population growth and the number of licence holders, but not with those working as HGV drivers.

Retail Sales

Retail sales volumes over the past eight years have grown at a compound average of 1.19%. While retail sales are by no means everything that require haulage, retail is a key sector. However, not only does the number of HGV drivers not have positive correlation when compared with rolling quarterly retail sales volumes, the correlation that exists is actually negative. That is, the higher the retail sales, the lower the number of drivers in general, demonstrating the extent to which the past few years have neither been typical nor easy for hauliers.

The BDO Retail Forecasts Report 2024[20] 'The rising influence of Gen Z', comments that retail purchase volumes are not expected to return to growth until 2025. It includes volume growth figures of 2024 0%, 2025 1.4%, 2026 0.9% and 2027 1.2%. This is slower than NIESR's GDP forecast for the same period. It is likely that online sales will grow faster than high street sales and while this will increase van traffic, it is unlikely to affect overall volumes for HGVs.

GDP – Gross Domestic Product

The forecast increases in GDP provide the basis for analysing and estimating what the driver training and testing requirement might be in the next section. But it should be borne in mind that there is continuing volatility of the economy, not just in the UK, but also in the US as witnessed by the recent headlines[21] about the impact on stock prices going down and then up within a week.

From the point of view of movement of goods, GDP is distorted by the fact that in 2023, 12% of the UK's entire economic output was generated by financial services, as reported in a review published by the City of London[22] in partnership with HM Treasury, but it is an indicator for which forecasts are produced. GDP figures are also subject to revision, sometimes after some considerable time.

[19] Alan McKinnon, Professor of Logistics, on backload opportunities: https://nic.org.uk/app/uploads/Better-Delivery-April-2019.pdf
[20] BDO Retail Forecasts Report 2024: https://www.bdo.co.uk/getmedia/6113e61c-a196-43f6-845d-e1dfcf313342/BDO-Retail-Forecasts-Report-2024.pdf
[21] BBC news in August 2024 on US stocks and economy: https://www.bbc.co.uk/news/articles/c7202xvpwn5o https://www.bbc.co.uk/news/articles/c8dpm9n2g6go
[22] City of London review in partnership with HM Treasury: https://assets.publishing.service.gov.uk/media/64ad6d32fe36e0000d6fa6a9/State_of_the_sector_annual_review_of_UK_financial_services_2023.pdf

Table 6.2 GDP past values and forecasts

Table 6.2 shows reported past values and forecast future values for the growth rate for GDP. Past values are included for 2016 to 2023 for the ONS Chained Value Measure. The past values provided by NIESR are also included so that comparison with ONS is possible. Forecasts for 2024 and 2025 from the HM Treasury report and from the IMF are also provided for comparison to the first two years of the NIESR forecast.

% Growth rate each year	Past Values								Future Values					
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
UK GDP (ONS CVM)	1.8	1.8	1.3	1.5	-9.8	7.6	4.1	0.1	-	-	-	-	-	-
UK GDP forecast (HM Treasury report)	-	-	-	-	-	-	-	-	1.0	1.3	-	-	-	-
UK GDP forecast (IMF WEO)	-	-	-	-	-	-	-	-	0.7	1.5	-	-	-	-
UK GDP (NIESR)	-	-	-	-	-10.4	8.7	4.3	0.1	-	-	-	-	-	-
UK GDP forecast (NIESR)	-	-	-	-	-	-	-	-	1.1	1.3	1.3	1.2	1.3	1.2

The table shows that the past growth rate of GDP from ONS was between 1.3% and 1.8% in the years 2016 to 2019. It plummeted in 2020 to -10.4%, rebounded in the following two years (7.6% and then 4.3%), and was then negligible in 2023 at 0.1% growth. The forecast growth rate from NIESR at the time of writing this report varied between 1.1% and 1.3% each year for the period 2024 to 2029.

HM Treasury publishes a monthly report[23] 'Forecasts for the UK economy: a comparison of independent forecasts'. This report provides a summary and an average of the output from various forecasting organisations. The most recent report at the time of writing was published on 17 July 2024. For 2024 the average growth for GDP is forecast at 1.0% with a range of 0.4% to 1.3%, and for 2025 the average growth is forecast at 1.3% with a range of 0.8% to 2.0%.

The IMF through its World Economic Outlook[24], which was also published in July 2024, had a forecast for the UK of 0.7% growth for 2024 and 1.5% for 2025.

NIESR[43], one of the 32 forecasters included in HM Treasury's analysis, released a forecast in August 2024 of 1.3% growth in GDP for 2025. NIESR also produces GDP forecasts that go further into the future, and it forecasts that GDP will grow at around 1.2% per annum in the medium term.

The forecast increases in GDP from NIESR will be used as one of the ways to project HGV driver numbers.

[23] HM Treasury report on GDP Forecasts: https://www.gov.uk/government/statistics/forecasts-for-the-uk-economy-july-2024
[24] IMF World Economic Outlook growth projections: https://www.imf.org/en/Publications/WEO/Issues/2024/07/16/world-economic-outlook-update-july-2024

7 Future HGV driver demand

The combination of the impact of the UK's departure from the EU, Covid, IR35 and the cost-of-living crisis means that it is difficult to estimate the number of HGV drivers required as using the recent past for economic forecasts for driver numbers is problematic.

The number of drivers with Driver Qualification Cards (DQCs) gives the most accurate measure of the number of people who have a qualification which makes them ready and able for driving work, and so it is this figure that has been used to project estimated driver requirements.

Using GDP to forecast

The table below uses the NIESR GDP forecast growth from the previous section and applies it to the number of current DQC holders.

The number of DQC drivers retiring is available as an annual figure and included as such, with the over 65's spread over ten years but 'front-end loaded'.

There are also those people who take tests where no DQC is required: some for work, some for leisure/hobby reasons. The total number of people in this category of having a C or CE licence but no DQC in 2022 was 227,000 under 45 years of age. If we assume that this test requirement has been spread over 20 years which equates to tests being taken when people are 25-44 years old, this gives the requirement for an additional 11,300 passes.

Table 7.1 Forecast of HGV drivers and driving tests required [25]

Table 7.1 shows a forecast of the number of HGV drivers and driving tests required over the life of this parliament through to 2029. Based on the number of HGV drivers with DQCs in 2023 (684,000), the number is then projected forward using the NIESR GDP forecast to give a figure of 736,000 by 2029.

	2023	2024	2025	2026	2027	2028	2029	Comments & Assumptions
Growth applied		1.1	1.3	1.3	1.2	1.3	1.2	NIESR GDP Forecast
DQC Nos Needed	683,623	691,143	700,128	709,229	717,740	727,071	735,796	
Retiring 65+		-7,414	-6,673	-5,931	-5,190	-4,449	-3,707	Spread over 10 years declining
Retiring 60-64		-12,866	-14,189	-15,856	-16,848	-17,632	-20,197	Year by year - NB >20Kpa for following five years
What's left from 2023 cohort		663,343	642,481	620,693	598,655	576,575	552,670	
Cumulative extra requirement		27,800	57,647	88,536	119,085	150,496	183,125	
Extra DQC requirement by year		27,800	29,847	30,889	30,549	31,411	32,629	
Additional licenses - No DQC		11,326	11,326	11,326	11,326	11,326	11,326	See accompanying text
Passes required		39,126	41,173	42,215	41,875	42,737	42,955	DQC estimates + Additional licenses
Tests required		68,522	72,106	73,932	73,336	74,846	76,979	57.1% CE pass rate - 2023/2024 from DVSA FOI

[25] NIESR GDP inc forecast: https://www.niesr.ac.uk/publications/aspiration-public-investment?type=uk-economic-outlook
Driving licence data – from DVLA: https://www.data.gov.uk/dataset/d0be1ed2-9907-4ec4-b552-c048f6aec16a/gb-driving-licence-data

- The table shows the projected number of retiring HGV drivers between the ages of 60-64 and 65+ and calculates the total number of drivers (Driver Qualification Card (DQC) holders) required for each year.

- The 'remainder from 2023 cohort' row shows the number of drivers after retiring drivers from the previous year have been removed.

- The 'cumulative extra requirement' row shows the 'DQC number' minus the 'remainder from 2023 cohort' number from the same year.

- The 'additional HGV licences' row is an allowance for drivers who have a licence but are not active professional drivers.

- The 'HGV passes required' row is calculated by adding the 'number of retirees' and 'additional HGV licence' rows.

Based on these calculations, the table shows the number of HGV driving tests required and resultant passes per annum to achieve the required number of drivers.

Adjustments are then made to reflect the number of people likely to be retiring in any one year. This allows a calculation of how many are likely to be remaining from the 2023 cohort, 553,000 by 2029. This then works through to a calculation of the number of extra DQC holders required year by year, which ranges from 28,000-33,000 each year.

This is not the end of the calculation, as there needs to be an allowance for people who get an HGV licence but do not use it actively for work purposes (over 11,000 per annum). There is then another adjustment to move from passes required to tests required – the pass rate in 2023/4 was just over 57% for CE licences.

All of this means that an increasing number of tests are required over the next five years, rising from 69,000 to 77,000 over the next five years and averaging 73,000 HGV tests each year.

The above calculations give an estimate of 69,000-77,000 tests required in Britain each year over the next 15 years. Only one test is now required to get from car to CE licence, so the roughly 71,000 HGV tests undertaken in the most recent year does not look inappropriate. But this is a continuing requirement, and the recruitment funnel for achieving the right number of trainees needs to be considered.

Using the GDP forecast and retirement gives an average of 73,000 HGV tests required each year – if this level of testing is not maintained there is likely to be a driver shortage.

	2023	2024	2025	2026	2027	2028	2029
Tests required	c71k	68,522	72,106	73,932	73,336	74,846	76,979

Conclusion

Post pandemic, the measures brought in to increase number of HGV drivers have helped the industry recruit enough drivers to stabilise the driver workforce. However, the sector continues to be vulnerable to fluctuations in freight volumes with significant structural issues. If the economy picks up there are likely to be issues with the number of available drivers.

The HGV driver population continues to be an older demographic and therefore, a significant number of drivers are predicted to retire over the next 5 years. It is vital that the current number of newly qualified drivers is maintained and that the focus is still on providing funded training routes.

Road freight and logistics businesses are under increasing cost pressures and with record numbers of insolvencies, it will be crucial for programmes such as bootcamps to continue to help with the cost of training. Gaining an HGV licence is just one aspect of the cost of taking on a newly qualified driver and with insurance premiums increasing, smaller businesses are struggling to invest in training.

Both the industry and Government must ensure the right planning, forecasting and contingencies are in place to prevent future driver shortage crises.

Executive Summary

8211 – the SOC for large goods vehicle drivers

Adzuna – job search engine which also publishes data including via the ONS

Annual Population Survey – large survey (320K) carried out by ONS

ASHE – annual survey of hours and earnings carried out by ONS

Bootcamps - free training courses of up to 16 weeks, including to get HGV licence

C & CE licences – driving licences for large rigid (C) and articulated (CE) vehicles

CPC – Certificate of Professional Competence, plus see Driver CPC

DfT – Department for Transport, government department responsible for road freight

DQC – Driver Qualification Card – the result of taking a Driver CPC

Driver CPC – 35 hours of training which has to be completed every 5 years

DVLA – Driver and Vehicle Licencing Agency

DVSA – Driver and Vehicle Standards Agency

GDP - Gross domestic product - the value & growth of goods & services produced

HGV – Heavy Goods Vehicle – in the context of this report, requiring an HGV driver

HGV Driver – in the context of this report, a driver with a C or CE licence and a DQC

IMF – International Monetary Fund – global organisation that promotes financial stability

IR35 - Inland Revenue legislation with the aim of preventing workers from avoiding PAYE

Large goods vehicle driver – in the context of this report, specifically people categorised as SOC 8211

NIESR - National Institute of Economic and Social Research - independent of all party-political interests and receives no core funding from government or other sources

Nomis - a service provided by ONS including population and labour statistics

ONS – Office for National Statistics – the UK's recognised national statistical institute

Peak – a large seasonal peak of logistics activity, including build up, which spans Black Friday promotions, Christmas & other religious festivities, and Boxing Day/January Sales

SME – small & medium-sized enterprises with <250 employees & turnover <£36m

SIC – Standard Industrial Classification – codes used to categorise companies

SOC – Standard Occupational Classification – codes used to categorise job roles

Textkernel - provides AI technology solutions to corporate and staffing organisations

Trunking – goods vehicle movements which tend to be large single deliveries between warehouses or distribution centres, rather than collections / deliveries to smaller locations such as shops

About RHA

The RHA is a member-led trade association supporting people and businesses in the road transport industry.

We offer a voice for our members to work with governments, policy makers, and local authorities across the UK on the issues most important to them. We campaign on a breadth of priorities including changes to legislation, rising fuel costs, better roadside facilities, and the transition to a Net Zero transport system.Our 8,500 members have access to technical and professional services to help them comply with industry regulations and assist them in running their businesses efficiently.

We also offer a wide range of accredited training programmes to help firms develop their teams and operations. The majority of our members are small and medium-sized enterprises (SME) but we also represent larger firms across the sector. We've been proudly supporting hauliers since 1945 and now include coach and van operators in our membership.

We champion the highest standards in our industry and work hard to be the go-to organisation for driving business on our roads. We're based in Peterborough and have offices in Bradford, and Bathgate in Scotland.

▌ For more information, please connect with us:

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