



Brexit and logistics

The afternoon session began with a discussion on how the Brexit decision will impact logistics. Describing the UK's vote to leave the European Union as a 'momentous decision', the conference chair said that there was still a lot of planning to do before we can officially leave and know and fully understand the implications for the logistics sector. Asking for delegates' help and input, FTA proposed examining what some of the implications might be.

Britain's exit from the European Union will affect every FTA member in one way or another. The Government will decide the timetable for the departure, but FTA has already embarked on activities that anticipate many of the issues that will affect members and will campaign to ensure that these remain a priority.

The defining moment in the process will be the revocation of the European Communities Act 1972. Passed at the time that Britain joined the common market, this act makes rules made in Brussels applicable in British law, even though they are not passed in the UK Parliament. Seen by some as a symbolic passing over of sovereignty, its revocation will mark a landmark in the Brexit process. But delegates were warned that its removal will leave some big holes in the statute book, so it will be necessary to introduce a repeal bill. This will include some provision for certain parts of EU legislation, which the act gives effect to, which

will continue to apply until such time as the UK parliament decides to remove or amend it.

Politically, ministers will wish to demonstrate to the public that leaving the EU has had some immediate, practical effect. Therefore, it is entirely possible that the repeal bill will also include some provisions to repeal certain, specific aspects of EU law that are deemed to be unpopular with the public. This meant that there may not be the great bonfire of EU red tape which the leave campaign had promised. Campaigners and pressure groups from across the country will be pressing for what we might call 'trophy legislation' to be annulled come the day of departure.

Keep, change or scrap

In logistics not all EU laws are bad, however, with many being highly valued by the industry. Over the coming period FTA will be consulting with members to determine what EU-based rules they would like to keep, change or scrap altogether.

Delegates were shown six pieces of key EU legislation and after a couple of minutes' discussion around their tables were asked whether they wanted to keep, change or scrap each one once the UK has left the EU.

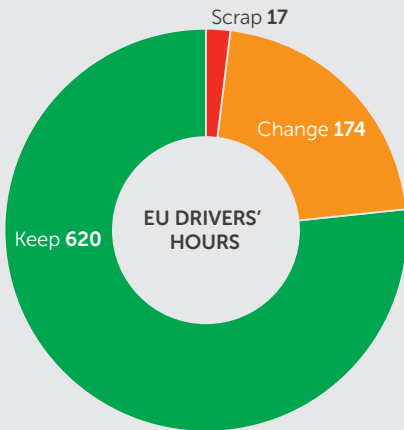
EU drivers' hours

If we get rid of EU hours, then domestic hours apply. Are we happy having general trunking haulage carried out without a clear understanding of what is meant by adequate rest? Many believe that these rules are critical road safety laws which mitigate the risk of driver fatigue.

DRIVERS' HOURS – A DELEGATE'S VIEW

"We've spent a huge amount of time and effort in getting to where we are in terms of compliance with the EU rules. It would be a tremendous upheaval to get all our tachographs reprogrammed and get the bureaux to restructure their software. We're pretty happy with the way things are."

Across the 10 conferences 811 delegates voted to keep, change or scrap EU drivers' hours.



Using their keypads, more than three-quarters of delegates judged that the rules were about right and voted to keep the legislation.

In summary

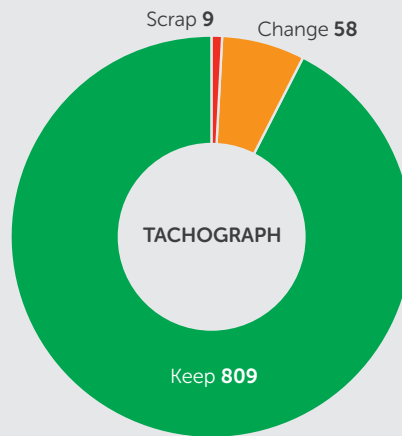
The last major change to EU drivers' hours was made in 2006. Since then the message from members was that the rules are about right and while they are complicated to manage and put into practice, changes to the rules will just lead to confusion. So for the last 10 years FTA's position in Brussels has been leave it alone.

Tachograph

In 1985, the EU introduced tachographs to commercial vehicles, replacing the use of log books. Then another significant change came with the arrival of the digital tachograph. It was a massive change for the industry and required significant investment, not just in vehicle hardware but in analysis processes too. Where previously analysis and audits had been done by sample, there is now 100 per cent analysis of data. Members who have FTA's Vision software can now have data incorporated into whole business reporting within 24 hours of download.

Delegates were asked whether they would want to go back to the log book or the waxed chart once they had left the EU. There has even been a suggestion of a UK-only specification tachograph.

Across the 10 conferences 876 delegates voted to keep, change or scrap the tachograph.



An overwhelming majority of delegates (92 per cent) voted to keep the legislation.

In summary

Back in 2003, industry was on the brink of a crisis when it discovered that the EU had made the digital tachograph mandatory, but no one in the electronics industry was particularly interested in making them. FTA and others had to bang some heads together to get more manufacturers into the market. The next generation of digitachs mandated by EU regulation will be required in

TACHOGRAPH – A DELEGATE'S VIEW

"We've spent all this money, sorting the trucks out, putting all this equipment in and we're going to take it out just because we've come out of the EU. There's no point, is there?"

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newly registered vehicles in 2019, when it is likely the UK will still be in the EU. This is one example of laws which have already been made but have yet to come into force before the UK leaves. How much influence will the UK Government have while these issues are being negotiated? Delegates were warned that we don't know what the Government's approach will be to laws that are made in Brussels now but which only come into force say three months, two months, a day before we're due to leave. All of that is still up in the air and something on which FTA will keep you informed.

Working time directive

In 1998 the EU brought in the working time directive which restricted by law the number of hours any individual could work in a week, a fortnight and a year. Critically, the employer was responsible for ensuring compliance with the rules, however the heavy road transport industry was exempted in recognition of the complexities of employment laws. But in 2005 the Road Transport Directive came into force which applied the rules to the road transport sector, to any driver in scope of the EU drivers' hours rules.

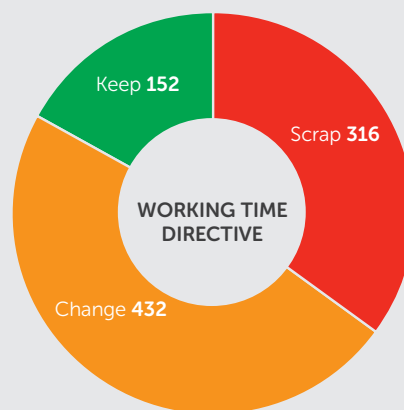
Members have often complained that this law is not needed because the principal part of the driver's job – driving – is already limited by law. The rules are similar but different from drivers' hours which can and does cause confusion, and there is no significant enforcement of the rules because it can only be enforced retrospectively and not at the roadside.

This can mean that operators intent on compliance suffer the burden whilst their competitors, who do what they know they can

get away with, do not. A distinction was made between working time being employment or health and safety law intended to protect the individual from exploitation at work, and drivers' hours rules being road safety legislation intended to protect all road users from potentially catastrophic consequences of driver fatigue.

Is that an important employment right which should be protected? Is its heart in the right place but in need of some rationalisation? Or is it a bureaucratic burden on employers which serves no purpose beyond the protection of drivers' hours rules?

Across the 10 conferences 900 delegates voted to keep, change or scrap the working time directive.



On the Working Time directive, almost half of respondents voted to change it, more than one third opted to scrap it and 17 per cent wanted to keep it.

In summary

During the negotiations in Brussels, FTA won some very important concessions, which otherwise could have made the directive a whole lot worse. And earlier this year, members of freight councils agreed that FTA should pursue a line that the working time directive should be scrapped, but with a duty limit being included in drivers' hours rules, so perhaps that constitutes the change that almost half of delegates voted for.

WORKING TIME – A DELEGATE'S VIEW

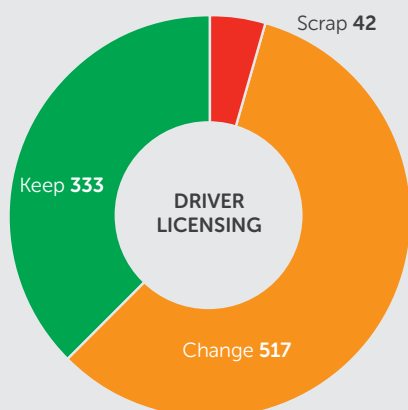
“The working time directive is good but it can get very confusing for the drivers at times. I think it's good because it means that drivers must have a break at times. If they slightly tweaked it would be far better and far easier for the driver to understand. But do not scrap it.”

In September, the European Commission issued a consultation on changes to drivers' hours, working time and enforcement, and FTA members' ideas were among those proposals. The consultation also questioned pushing drivers' hours rules down below 3.5 tonnes.

Driver licensing

Driver licensing has been amended by three significant pieces of legislation, known as the driver licensing directives. These aim to harmonise licensing requirements across the EU and brought in the pink photocard-style licence. However, it was not EU legislation that required the abolition of the paper counterpart last year, that was the UK Government's own decision. But it also brought staged testing, the requirement to take a Category C test before you can start learning to drive with a trailer. Some FTA members have suggested that staged testing is a barrier to recruitment, plus the fact that you have to take a test to drive anything over 3.5 tonnes has left something of a hole in the workforce of drivers of vehicles between 3.5 tonnes and 7.5 tonnes.

Across the 10 conferences 892 delegates voted to keep, change or scrap driver licensing legislation.



A majority (58 per cent) voted to change driver licensing legislation while more than a third (37 per cent) wanted to keep it.

In summary

FTA was closely involved in the development of all three of the licensing directives, and in the third directive it won a number of concessions for the industry including self-declaration of medical fitness every five years up to the age of 45, rather than having to have full medicals. FTA managed to defend against proposals to reduce the C1 weight classification from 7.5 to 6 tonnes and argued successfully that there should not be limited flexibility for passenger vehicles being used in connection with a business or a trade.

Access to the occupation

'Access to the occupation' is a European phrase that covers requirements for commercial vehicle operators in the areas of repute, financial standing, establishment and professional competence. These European laws have a bearing on the UK's operator licensing system, which predates the equivalent legislation in the EU. Many parts of the Goods Vehicle Licensing of Operators Act 1995 still have no equivalence in Europe.

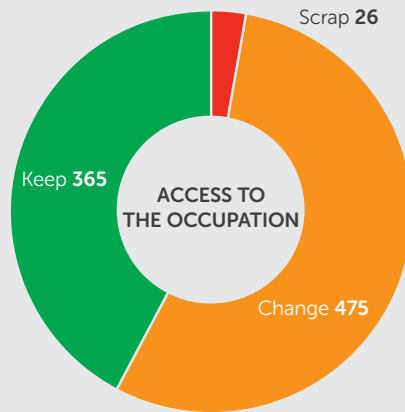
The most recent set of the EU changes were made in 2011 and meant that every future transport manager now has to take the international exam, even though the vast majority will never use it during their professional lives. The regulation also defined the external transport manager, meaning that transport consultants could not be part of an operation that has more than 50 vehicles. It also brought in the most serious infringements and the interconnected European database of operators.

DRIVER LICENSING – A DELEGATE'S VIEW

"We know what we've got now, whether anyone else would come up with a better option, we want to be in line with Europe and make it easy for the drivers and the companies to travel across the Continent."

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Across the 10 conferences 866 delegates voted to keep, change or scrap access to the occupation rules.



More than half of delegates voted to change, while 42 per cent voted to keep rules around access to the occupation.

In summary

Great Britain's requirements on operator licensing already go far beyond the EU requirements. The interconnected database does not include compulsory specification of individual vehicles, something that is used heavily in Britain, but pressure from FTA did get the field included on the database. Data sharing may be a point which FTA could continue to press for after Brexit.

The legislation seemed to be written to suit a standard model. The rules are often written with an operator in mind who has a yard, some trucks and an office with someone called a transport manager. The further an operation deviates from that model, the less well the legislation fits. But fortunately we have the

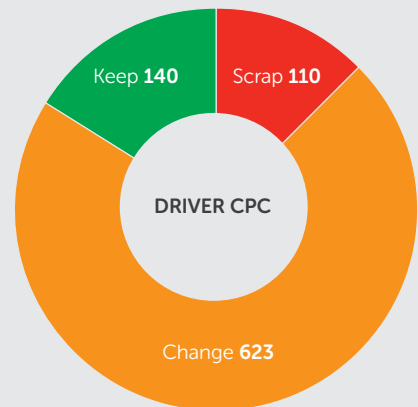
Traffic Commissioners who are able to exercise some pragmatism.

In many EU member states, the competent authority can be a local-level civil servant and this means that the EU laws often need to be very explicit. The important point for FTA is to ensure that where we had flexibilities in GB, these were able to be preserved and the Traffic Commissioners were able to exercise their judgement.

Driver CPC

The Driver CPC was 'largely pilloried' in some areas of the industry; the directive brought in a new exam for new drivers which ensures they understand the rules of the industry they are about to join rather than simply how to drive a vehicle. The controversy was over asking experienced, established drivers to undertake periodic training.

Across the 10 conferences 873 delegates voted to keep, change or scrap driver licensing legislation.



While 71 per cent thought the Driver CPC should change, 16 per cent voted to keep the qualification and 12 per cent wanted to scrap it.

In summary

FTA members still saw – in discussions at FTA's Freight Councils – Driver CPC as important for driver training and opposed suggestions that periodic training should have tests which

ACCESS TO THE OCCUPATION – A DELEGATE'S VIEW

"We deserve a change here.

I think some of the international connotations could be taken out as there's an awful lot of content in the International CPC that might be less relevant."

could be failed or be more tightly regulated. Nor did they think that any particular content should be made mandatory, leaving the driver and or employer the flexibility to identify the most useful training for themselves and their businesses.

Other EU legislation

These include type approval, roadworthiness testing, construction and use, weights and dimensions and cabotage. One last question was posed to delegates: "If you could choose one piece of legislation from this list of 10 to go on the bonfire or be substantially amended, which would it be?"

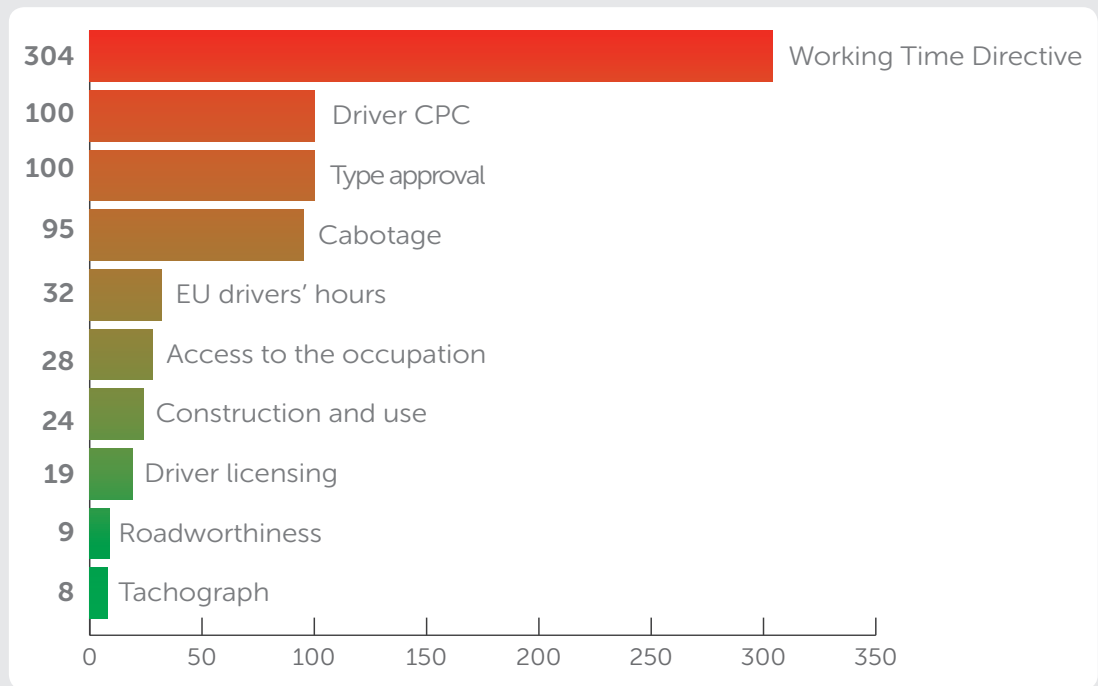
Across the 10 conferences 719 delegates chose one piece of legislation they wanted to scrap.

In summary

While the processes of Brexit are still really unclear, it remains to be seen how much genuine flexibility the industry will have to make changes in these areas, particularly once the impact of other international agreements are understood. FTA is already working closely with the Department of Transport and those other new departments that have been set up to ensure the industry's voice is heard during those negotiations.

This is not just in road transport regulations, but in international trade deals, in customs arrangements, what happens at the Irish border and what happens to cross-Channel traffic too.

Rest assured that FTA will continue leading for logistics on Brexit.



While there was no overall consensus, 42 per cent of delegates voted to scrap the working time directive, 14 per cent voted to scrap Driver CPC, 14 per cent voted to scrap type approval, and 13 per cent voted to scrap cabotage.

DRIVER CPC – A DELEGATE'S VIEW

"I voted for change because I think that seven hours is too long for a course. I think five hours would be a sensible limit.

However, it still has to be aligned with Europe because we operate in Europe as well."