**Introduction**

The Chair opened up the meeting and welcomed everyone.

The minutes of last meeting were approved by members.

Attendees were reminded of the need to comply with competition law at all times.

**Secretary’s report and key national updates.**

Josh Fenton (JF) gave an overview of the meeting of Roads Council and decisions taken and an update on Logistics UK’s Public Affairs and policy work since the last Council meeting as set out in page 19 and 20 of the Policy Report.

Members raised concerns about the implementation of the EU’s Entry Exit System (EES) which was due to come into force on 10 November 2024. Whilst members themselves were not conducting the Channel Crossing trading route, they recognised that it could have consequences on their supply chains further down the line.

**NOTE:** Since the end of the council meeting, the 10 November 2024 is no longer the date that the EU is working towards. Whilst a new date is not currently known, it is now with the European Commission to determine how they take this forward. Members will be kept informed on the latest developments on EES. The best way to stay informed is through Logistics UK’s enews.

**Regional items** (pages 23-24 in Policy Report).

JF gave an overview of the cancellation of the £2bn Stonehenge Tunnel Scheme which the new Labour government has scrapped. The scheme along the A303 in Wiltshire, had been agreed by the last Conservative government.

Members fed back that whilst this has now been cancelled, it will need to be replaced with something else. Millions will already have been spent on the scheme and this has now been wasted. These are conversations that need to be had with the current government about what relief road can be put into the area.

JF also made members aware of a Bristol City Council Freight Consolidation – Soft Market Testing Exercise. This study is to determine the level of interest in freight consolidation in the city. This test is being used to inform appraisal options.Members said that often these consolidation ideas are too complicated and slow down operations. Schemes like this give a signal that the city is against more vehicles going into the area.

JF had been contacted by Bath Council. This was in relation to routes that HGV drivers are taking, and that they are potentially ending up taking routes that have weight restrictions. Members fed back that drivers should be using dedicated HGV Sat Navs, which their drivers were all using.

**Asks for the new Labour government.**

As there was not a guest speaker for this council meeting, JF opened the floor to members in light of the change of government following the general election on 4 July 2024. JF asked members what their priorities would be for the new Labour government following the surprise cancellation announcement of the Stonehenge scheme.

Members fed back that a couple of councils ago, they discussed what a Conservative plan should look like. It is worth checking this to cross reference with what the top asks are today.

Top asks would be:

1. More exits are needed on the M5/M4.
2. Dualling of roads is required.
3. A new route from the M4 to the south coast via Bath.
4. Tamar bridge road dualling or other improvements to combat the ever-present delays along the A38.
5. Toll collection, price increases, and lack of automated practices. Some tolls in the South West of England are council ran and not suitable for members daily operation requirements. These tolls are costing members £8 per crossing for HGV’s. Some members are paying circa £100k a year on tolls. The UK government could subsidise this to reduce the cost of crossings. They could look at automated practices to speed up journeys.
6. Fuel duty is too high, government should look at ways to resolve this.

**Agenda items**

**A1 - 4.25t call for evidence.**

*We are anticipating a call for evidence relating to the regulatory weight thresholds for zero-emission vehicles and so are seeking feedback from members on the impact of this threshold and the changes you would like to see.*

**Question 1:** What is the cost of installing a digital tachograph into such a vehicle, and to train drivers and staff to utilise it in line with legislation?

**Question 2:** What would be the cost to train drivers to understand drivers’ hours regulations in order to remain compliant?

**Question 3:** What would be the cost saving if MOT tests were performed under regular van conditions and not by an HGV qualified technician?

Responses from members:

Q1 – Minimum of £2000 to install a digital tachograph and additional cost of a tachograph technician and ongoing training. Would drivers of vans want to learn to do this? Will this lead to higher wages for van drivers? Members said that 4.25t could be the alternative for 3.5t

Q2 – Could cost £1500 to £2000 to train drivers depending on the size of the organisation.

Q3 – There are savings to MOT tests, but they would be negligible as you wouldn’t use a 4.25ft van for long distance or same day delivery because of charging time. Would be cost prohibitive. Members ask where these tests would take place as it is hard enough to get the MOT tests they need currently.

Members had questions around if it will fall under ‘o’ licensing. They said that DCPC will fall into scope. Members asked if the new exemption was just on the basis, it was electric.

**A2 - Impact of ZEV mandate on fleet renewal**

*The ZEV mandate, which became law on 3 January 2024, sets out the percentage of new zero emission cars and vans manufacturers will be required to produce each year up to 2030. We would like to understand how the new law has impacted on van fleet operators’ vehicle replacement plans and what their experience is of how this law is being applied by individual manufacturers.*

**Question 1:** Have members vehicle replacement plans for 2024 (and beyond) taken into consideration the ZE Van Mandate/Van Registration Trading Scheme percentages?

**Question 2:** Where members acquire vehicles from different manufacturers, have any differences in approach to placing orders been noted, particularly in relation to small orders (fewer than 10 vehicles)?

**Question 3:** When acquiring new vans, have price changes been seen to encourage uptake of zero emission vehicles, or to discourage orders for petrol and diesel vans?

Responses from members:

Q1 – Some members do have plans in place. Member said there was a 38-week lead time for ICE, but it was only 13-20 weeks lead time on EV’s. Replacement plans largely depend on the life cycle of the vehicle and the operative needs of the vehicles. If staying in cities or urban areas it is easier, however it becomes more difficult if rural areas and long distances are involved. Some members have said that without better charging infrastructure, the EV’s will not work for them. Members have considered the mandate; however, they are holding onto ICE vehicles longer as they are harder to get.

Q2 – A members said that they had no issue purchasing 5 vans. They said that leasing vans had become an option due to how much cheaper they had become recently. Members said that incentives are a factor.

Q3 – Prices are being discounted on electric vehicles as supply is exceeding demand. Prices will go back up as the market balances again. Members said that it is currently a game of margins and as mentioned in Q1, it depends on the operational needs of the vehicle. Members continue to purchase petrol or diesel vehicles whilst they still have the option to do so. Members said that if they need to charge off base it can be 5 times more expensive than when it is on base. Charging at home is not always an easy win either.

Overall members said that they are committed to decarbonising the sector, however it is currently harder for some aspects of logistics compared to others. Lack of the appropriate charging infrastructure is a factor. Members also felt that the weight of EV’s compared to ICE vehicles was a factor too. Moreover, members felt that hydrogen could be the only way forward for 19-24 tonne vehicles. But that long term they are committed to doing both electric and hydrogen in the future. Companies have started to put in EV charging points in for their staff.

**A3 - Road user charging (RUC)**

*In March 2021, members agreed Logistics UK policy principles on Road User Charging (RUC). While any government policy on road user charging has yet to be developed, the beginning of the transition to zero tailpipe emission vehicles means there is growing interest in what mechanism may be used to replace falling fuel duty. We therefore want to ensure our position reflects members’ views.*

**Question 1:** Are there any areas of the current policy position paper that should beupdated?

**Question 2:** What mechanism of RUC would you support? For example, one based on road, time and type of vehicle.

Responses from members:

Q1 – Members agreed with Logistics UK’s position.

Q2 – Need a mechanism that is easy and cost effective to collect. Potentially through the use of black boxes or tag system, however other members felt that the black box approach would not be popular as there would be concerns as to exactly what data has been captured and if there was oversharing. What would happen with issues of theft and non-compliance. If this approach were to be taken, it should only have GPS for roads used and time of use, but not the data that is captured like when a new driver puts a black box in for insurance purposes.

Members said that any drivers from abroad that are using the UK’s Road network must also have to pay to use roads. Concern with it only being on certain roads could mean that similar to clean air zones, it will send traffic off the logistics trunk roads and through villages instead, as has been seen in Bath. Members said that the model could follow what the M6 Toll Road does. This is a charge based on the time of day and the size of the vehicle. Members felt that it was still going to be decades before it came in. JF commented that if ICE vehicles and users are left to cover the costs, it could become very expensive for business and accelerate the transition to fleet decarbonisation. Members felt that the burden is often falling to logistics. Overall, members have come a long way to accept EV’s and the charging requirements in recent years. The mood for RUC is changing, as it is more of a ‘when’ rather than ‘if’.

**A4 - Member feedback on councils**

*Logistics UK is keen to ensure that our regional and devolved Councils are valuable to our members and that they continue to play an integral role in ensuring our national, regional and local policy work is reflective of members’ views and experiences. We are therefore seeking feedback on the current content and operation of Councils.*

**Question 1:** Which aspects of council meetings do you find the most/least useful (e.g. guest speakers, policy discussions, networking)?

**Question 2:** Are there any particular issues feel ought to be discussed regularly at councils?

**Question 3:** Which speakers/organisations would you be most interested in hearing from?

**Question 4:** Do you have any other feedback on the content and structure of council meetings?

Responses from members:

Q1 – Members felt that the networking was helpful, as well as the policy discussions. They also felt that the council meetings gave them a voice or link into government, through the work of Logistics UK’s policy team.

Q2 – Members thought that safety and the role of AI could be discussed regularly.

Q3 – Members like to hear from the Traffic Commissioner each year. Members suggested that police could be a speaker option. JF asked if a freight crime online webinar with the police would be helpful, to which members said that it would be useful to hear about the trends. Members thought that manufacturers or insurance companies, car and van leasing specialists could speak at the council. Members are interested in hearing from experts in hydrogen, but hydrogen combustion rather than fuel cell.

**Action:** JF to request online freight crime webinar for SWFC members and their colleagues.

Q4 – Members were happy with the location of the council meetings. Of the members in the room, the overwhelming majority wanted all three meetings to be in-person. Some members thought hybrid could work, if the technology was set up. Members thought that applications like Slido for questions could aid discussion at council meetings.

**AOB**

Member asked for support with vision service for continental European operations.

**Action:** JF to connect member with appropriate colleague at Logistics UK.

In case of interest to SWFC members, Julie Richards (JR) let members know that there is an upcoming Welsh Lunch on 22 November, with Nigel Owens as the guest speaker. SWFC members are welcome to join this event, however there are very few spaces left.

**Date of next meeting:**

Wednesday 15 January 2025 - 10:00-13:00

**Further dates in 2025:**

Wednesday 21 May 2025 - 10:00-13:00

Thursday 2 October 2025 - 10:00-13:00

**Attendees:**

Peter Woodhouse (Chair) – Stone King LLP

Dominic Palmer – Corserv Solutions

Bruce Robb – Corserv Solutions

Adam Holland – Morris and Perry

Lois Robinson – Dave Robbins Transport Consultants

Mark Davis – Ford Fuels Ltd

Martin Caddick – Bradfords Building Supplies

John Walsh – Smith News

Peter Peach – Day Group Ltd

David Roberts – M Group Services

Dan Saunders – Travis Perkins

Mark Hope – AB Agri Ltd

Lee Horrocks – Truronian Coaches

Paul Willis – Gregory Distribution

Louis Barnes – Wessex Water

Simon Parsons – Aviva

John Phelps – Grundon

Adam Westaway – Core Highways

Josh Fenton (Secretary) – Logistics UK

Julie Richards – Logistics UK