2021

TIMBER TRANSPORT SURVEY

EXECUTIVE REPORT MAY 2021

PREPARED BY

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FOR THE TIMBER TRANSPORT FORUM

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1. <u>EXECUTIVE SUMMARY</u>

Prior to the 2021 survey there was very little data on the Forest Haulage (Roundwood) Sector.

This following statement was used as part of the initial PR surrounding the survey and set the backdrop to start the process.

Alistair Speedie, Chair of the Timber Transport Forum said:

"We have a thriving industry which has grown to meet the demand, we must prepare for future years. Volumes of timber are set to increase as more timber becomes available, so we need to ensure, as an industry, that we are ready for this in a sustainable way - we are keen to involve as many timber hauliers as possible, so at this stage we are asking GB timber hauliers to register with us for future participation. It is easy to do and will only take a minute so please get involved."

Businesses within the sector are sceptical of this type of survey, but the pre survey PR work identified 115 haulage companies and returned a high strike rate of 94 full returns from them. The 'overall' survey response rate was 81%. Use of a robust system to gather contacts and partnering this with appropriate online technology solutions was critical in the process to attain accurate insight. It is assumed the data attained can be used with confidence within an 80% limit.

Over and above the metrics and numbers of assets (machines and people) utilised by the sector, the survey recorded some key information on asset cycles, asset detail such as CTI and provided room for hauliers to comment on challenges faced by the sector and established facts such as 58% of the workforce are aged 45 and over!

It should be noted that the survey was based on haulage of roundwood from primary production point (the forest) to processor sites. In addition to this there are of course low loader trucks, tree and materials delivery vehicles, and fuel tankers delivering 1000's of litres per week into the forest!

Details on access to an online dashboard and full survey data can be found later in this report. It is anticipated that the survey will provide useful data allowing for both a better understanding of the sector and for sensible planning and decision making with reference to the Decarbonisation agenda.

Neil Stoddart

Creel Consulting Ltd

2. SURVEY SCOPE

With UK Government targets of net zero emissions by 2050, (50% by 2030 in Scotland) the Decarbonisation subgroup of the Timber Transport Forum identified the need to have more insight into numbers, and to better understand the scale, composition, and structure of the sector as a more accurate baseline.

While a more rigorous formal survey may be undertaken in the future, initially the Forum commissioned this initial baseline work to identify the scale, parameters and key attributes that would affect how the sector could be influenced and supported through a period of change.

The survey was limited to the fleet connecting forests and primary processors – as roundwood or material. Information was collated by country. (Scotland, England, Wales). It was expected that the survey would provide statistically robust figures and an overview picture of the national timber fleet that would be recognisable to those involved.

Project Management and Report: Compiled by Creel Consulting Ltd
Administrative assistance: AJB Services

3. METHODOLOGY

3.1 A project logo was created as a focal point

3.2 Website - a project site was set up as a point of reference, and for timber haulage businesses to register for the survey – populating a database in the background with email contacts. See www.timbertransportsurvey.com

3.3 Dec 2020 Media splash **–** Press Release (see Appendix 1) was issued by Creel Consulting Ltd and widely shared with >

- Confor
- Forestry Trade Press (Forestry journal etc)
- Forestry & Haulage related social media sites inc Linkedin, Facebook (*Timber trucks UK & Scottish timber trucks)*
- RHA
- Wider Haulage Press
- Regional TTF groups and officers

Names and contact details on the database allowed for data interrogation and to ensure there were no duplicates before progressing to issue of the survey.

The number of surveys completed over the internet has grown substantially in the past few years. The trend continues to grow as internet penetration becomes more prevalent and the cost of delivering surveys online decreases. Advantages with online surveys:

- Convenience: Participants can take surveys anytime at their own pace
- Cost effective: Compared to other methodologies, online surveys are the most economical data collection approach.

3.4 Survey

SurveyMonkey

A Survey Monkey package was reviewed and selected to provide the base for an online intuitive survey.

A survey to capture all data fields required was carefully designed and then field trialled with several Hauliers. Feedback 'keep it simple, stay away from financials and provide room for comment' was the message and the survey was refined to meet these objectives.

The Survey Monkey link was issued as an email to all 115 businesses who had registered in the initial database and then also sent additionally as a 'link' and via WhatsApp to those who had not registered. Initial engagement was slow.

Trade contacts (*major Harvesting Companies and FWM's*) were regularly sent the link – this was undertaken on Fridays so it could be sent out to hauliers along with weekly haulage instructions. Companies who did not submit a return were sent up to 4 chase up emails (repeatedly) along with text messages and calls.

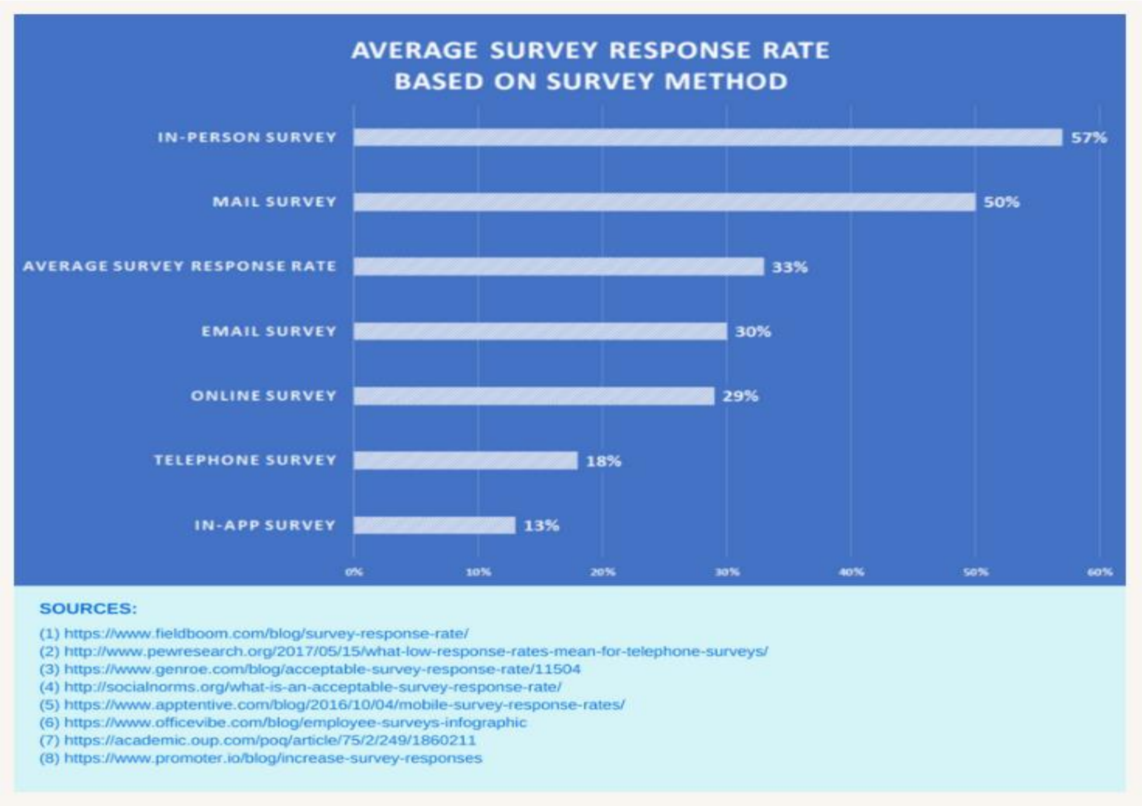
A personal telephone campaign was instigated in early April to again chase non submitters, with final closure of the survey being 06/05/21.

Out of the 115 companies identified who were sent emails or links a total of 94 (**81%**) went on to complete the survey.

It is estimated that the TTF survey reached 90% of GB timber hauliers at the figure of 115 companies. The 'missing' 10% are expected to be owner operators or part time hauliers with smaller fleets or single trucks.

Following advice that useful 'relevant information' is the most effective form of incentivising business audiences, Creel Consulting Ltd made clear the reasons for the survey, dates, methodology, with clear, simple, and exact question wording and associated information.

Research shows that average ‘survey response’ rates are as noted in Fig 1 below



Evidently some respondents viewed the survey and then decided not to complete it, this could be because:

- They don’t have the time (survey has been undertaken when the industry is seeing an unprecedented peak in activity)
- They don’t have the right device.
- They see the first questions and decide that taking the survey isn’t for them.

Cont >

4. **RESULTS**

The following key metrics can probably be taken with an 80% confidence limit.

Headline figures

- **The survey has returned a count of 487 'purpose built' HGV's fitted with timber cranes.** *+ 20% could mean a total of 584 trucks!*
    - ***64% were Articulated unit with a crane trailer configuration.***
    - ***36% were Rigid Wagon and drag configuration.***

- ***71% of these 'purpose built 'HGV's are fitted with CTI systems***

- **360 flat trailers (over and above trailers or HGV trucks fitted with timber cranes) are also used for timber haulage. These will not have CTI fitted.**

- **Out of the 94 businesses surveyed they have a total of 1063 employees associated to Timber Haulage activity.**

- **Businesses are based 65% Scotland 23% England 11% Wales – which ties in very closely to percentages of conifer woodland in each county.**

- **85% of the businesses surveyed have not considered alternative powertrain sources for HGV's.**

- **Artic trucks are on average, on a 4.5 yr asset replacement cycle.**

- **6 + drag trucks are on a 5yr + asset replacement cycle (could average 6)**

- **Biggest challenges to business**
    - **Lack of new entrants / trained operators – 58 % of current drivers are in the 45 – 54 age brackets.**
    - **Poor forest road conditions**
    - **Increasing legislation**

Link https://www.surveymonkey.com/stories/SM-F85S93FC/ shows all metrics that can be put on a dashboard for full survey reporting. *Password is 'Timber'*

Appendix 3 shows a full and comprehensive return of (summary) survey data.

5. **CONCLUSIONS**

General – as well as 'numbers' the survey process demonstrated that the timber haulage sector is specialised, relatively insular and can be fragmented.

35% of companies **are not** members of trade organisations.

Only 9% of companies are signed up to a quality standard or assurance organisation.

85% of companies **have not** considered alternative green powertrain sources.

Slow engagement with a survey was to be expected, but the work has now provided solid data and metrics, providing a window into the sector.

Hauliers are generally 'quiet' – but 44% of companies took the time to write about the numerous challenges being faced. Some of these cross over with general haulage but many are forestry specific. Combined with the ageing workforce and lack of new entrants, core issues such as working conditions, welfare, pay and training need addressed timeously, or the industry could face a gap in haulage provision within the next 10 years.

The figure of just under 500 crane equipped timber truck units was *recorded.* 36% of these were dedicated Wagon and drag outfits. This underlines the high level of capital expenditure investment that contract hauliers and processors currently make to service the GB industry. The sector has reacted well to new specification demands demonstrated by the high level of CTI fitted to dedicated trucks. At current, post Brexit supply chain and 'green' technology solutions are currently driving asset costs up.

Decarbonisation -Truck asset replacement cycles are indicated at averaging c 5-6 years. However, it should be noted that a percentage will be from approved used stock (often moved across from less demanding applications/sectors), so will not always brand new.

With and estimated potential 500+ timber trucks on the road, and making some assumptions with a broad brush, it can be anticipated that around 75 new trucks are supplied into the sector annually. Haulage companies purchase from a range of suppliers and brands, which creates a river delta effect. At current differing HGV manufacturers all have diverse offerings and timescales on alternative fuel solutions. Additionally, it is noted by manufacturers that alternative fuel solutions for 'heavy duty' work applications such as forestry may be later in the cycle to get to market and will be expensive.

With a backdrop of lack of consideration/knowledge of alternative fuels and challenges facing the workforce, the sector will need support, education, and intervention over the next 10-year window to meet decarbonisation (and possibly) industry productivity targets.