



Wood
Recyclers'
Association

AUTUMN 2024

Waste Wood Market REPORT

✉ caelia.quinault@woodrecyclers.org

🌐 www.woodrecyclers.org

Overview

Waste wood volumes have been relatively buoyant over the past few months, according to operators, as the supply of material reached its usual summer peak.

In particular, material from households appears to have increased, with some Household Waste Recycling Centres (HWRCs) reporting up to a 15% rise in waste wood tonnages year-on-year. This is better than many expected and is believed to be driven in part by an uplift in home improvements.

However, the same increase has not been seen in material from the construction and demolition sector, where volumes have reportedly slightly improved but not to the same extent as for household material and are still lower than usual. This has been linked to the fall in housebuilding and construction.

Supply of material is also thought to have been boosted by reduced demand from the biomass sector due to both planned and unplanned downtime (see biomass section below).

With more material on the market, there has been upward pressure on gate fees, with some end users having to slow down the amount of material coming into their sites.

However, as winter approaches and demand for waste wood rises, it is expected that supply could become tight again – especially as licences restrict how much material operators can store at their sites.

Those in the sector are keeping a close eye on what happens in the housing market and wider economy, as this will impact waste wood arisings and in turn material availability.

Biomass

Many biomass plants have taken extended planned outages over the last few months as is usual for this time of year, after operating continuously for long periods. In addition, some plants have experienced unplanned outages.

This has contributed to higher waste wood volumes in the market – particularly in

Biomass cont.

certain regions such as London and the South East. This has pushed up gate fees in some areas and resulted in more wood being sent to the export market, according to operators. However, the market remains very regional, with more demand seen in areas such as the North West.

Looking forward, plant operators are very focused on ensuring they have enough material for the winter months and are anticipating another challenging winter as plants look to maximise their availability when demand for energy is at its highest.

Away from the markets, the sector continues to lobby the government for urgent clarity over transitional support for waste wood powered biomass following the expiry of ROCs from 2027.

Panel Board

The panel board sector has experienced a steady few months in terms of waste wood supply, according to operators, with plenty of waste wood availability.

There is a mixed picture with regards to end use markets. Whilst there was a slight improvement over the past quarter, generally building and renovation activity remains subdued. While some manufacturers are slightly busier than others, the market is about to enter the busy period for some panel board customers – such as kitchen manufacturers – which is expected to boost demand for these products in the run up to Christmas.

Going forward, those in the sector are predicting another tight winter for waste wood supply and are doing all they can to maximise the storage capacity they have for this material within their licence restrictions.

Looking further ahead, it is hoped that falling interest rates and a strengthening economy will increase both demand for panel board products and waste wood arisings.

Many in the sector are advocating for the use of more timber in construction and the planting of more timber-producing trees, to help to ensure long-term supply of both virgin and waste wood for the panel board industry.

Animal Bedding

It has been a quiet few months for the recycled animal bedding sector as is usual for this time of year, with manufacturers focusing on building up stocks of waste wood for the busy winter period ahead.

Now as the selling season resumes, the sector is anticipating strong sales, driven in part by the ongoing wet weather which has impacted the production of straw-based bedding products. However, some fear that financial pressure on end users could mean that they may struggle with the costs.

With waste wood supplies forecast to be tight this winter, it is expected that operators will have to achieve a careful balance between supply and demand.