

APN requests client forbearance in unprecedented times



The Association of Pallet Networks
Fradley Park
Lichfield
WS13 8NG

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Dear Colleagues and Customers

The Association of Pallet Networks is asking for your support and patience as the UK's pallet networks meet an unprecedented level of challenge in their role as keyworkers and a major delivery mechanism for UK plc.

While our sector prides itself on high service levels, we would like to draw your attention to the exceptional circumstances in which our network partners are currently operating. Following more than 12 months of disruption due to pandemic, during which we continued to keep Britain moving, shops and hospitals stocked, and your goods reaching their customers, we have recently had to deal with an extraordinary surge in volumes at a time when our resources are acutely stretched.

This has inevitably impacted on our ability to maintain the very high service levels for which our industry is renowned.

There are many factors which have contributed to the current challenging situation:

- An unrelenting growth in pallet volumes. Q1 2021 saw 14% growth year on year and March was the highest volume month the sector has ever seen, with more than 3 million pallets delivered.
- An 46% increase in residential deliveries, which are more difficult and time consuming than B2B deliveries. In Q1 2020, 13% of our total deliveries were to residential addresses. In Q1 2021, this was 19%, or almost one in five pallets.
- An acute driver shortage. The UK's driver shortage stood at approximately 50,000 in early 2020. It has since been exacerbated by Brexit, which resulted in the loss of thousands of EU drivers and warehouse staff. In addition, new IR35 rules on the classification of contractors has affected the availability of agency drivers who usually supplement our workforces. The logistics industry is now lacking almost 80,000 drivers, according to Logistics UK.
- We are still operating under social distancing rules, and must make provision for team members who are, or have family members, vulnerable to COVID19 infection.
- There are significant delays with products moving over UK borders, both to and from EU countries. We are doing our best to support customers and expedite consignments but this is a resource-heavy task which has been challenging for all sectors.

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In short, despite responding with resilience and agility to the needs of a UK under lockdown and undergoing the most major shift in trade conditions for several decades, we are having to do far more with less resource available to us than ever before.

We will continue to work intelligently, proactively and professionally to meet all your delivery needs. However, we would be remiss if we did not take the time to explain these highly unusual circumstances to our loyal customer base, and ask for your understanding and support.

How you can help?

Firstly, please be patient if some of your deliveries take longer than normal. Our teams are working extremely hard and they care just as much as you do about the efficiency and professionalism of their service.

Secondly, communicate to your customers that there may be some unavoidable delays in their expected delivery schedule. It would be helpful if they could use the provided track and trace services, or contact you, as the seller, if they have queries about their delivery, rather than ringing network depots.

Work with your pallet network and your local depot to ensure that every pallet is correctly manifested, packaged and all necessary paperwork and contact details are correct. When Hubs and depots are extremely busy, troubleshooting problematic consignments creates an unnecessary delay.

Please remember that our successes still outnumber the challenges we face, and that our primary concern is to give you optimal service, safely, cost effectively and sustainably.

Thank you, on behalf all the UK's pallet networks for your understanding.

Yours sincerely



Paul Sanders

Founder & Chairman, APN

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