

Committee(s):	Date(s):	Item no.
Planning and Transportation	15th December 2015	
Subject: Towards a City Freight Strategy – Interim Report	Public	
Report of: Director of the Built Environment	For Decision	
Ward (if appropriate): All wards		
<p style="text-align: center;"><u>Summary</u></p> <p>In September 2013 your Committee agreed to work towards the adoption of a City Freight Strategy. A strategy is needed to address traffic and environmental issues arising from increasing freight and servicing activity associated with the growth of City employment.</p> <p>This report sets out a proposed interim strategy comprising a single objective:</p> <p><i>‘To reduce the number of freight and delivery vehicles on the City’s streets, particularly at peak times, whilst still allowing the City to flourish’</i></p> <p>It also recommends adopting the 4Rs approach (Reduce, Re-time, Re-route and Re-mode) to reduce the impact of freight on the City and contains a limited number of key strategy measures which are intended to move the City towards a more sustainable pattern of delivery and servicing activity. These relate to:</p> <ul style="list-style-type: none"> • consolidation: • delivery and servicing plans (DSPs); • re-timing initiatives: and, • stakeholder engagement <p>The intention would be to press ahead with the development and implementation of these measures pending the anticipated publication of TfL’s London-wide freight strategy, at which point the interim strategy would be reviewed and revised if necessary.</p>		

Recommendations

I recommend that your Committee:

1. Approves the following objective as the basis of the City's interim freight strategy - *'To reduce the number of freight and delivery vehicles on the City's streets, particularly at peak times, whilst still allowing the City to flourish'*;
2. Adopts the 4Rs approach (Reduce, Re-time, Re-route and Re-mode) as the basis for reducing the impact of freight on the City;
3. Authorises officers to proceed with the development and implementation of the policy and strategy measures described in this report and the appended action plan in respect of consolidation, delivery and servicing plans, re-timing initiatives and stakeholder engagement;
4. Agrees to review the interim strategy when TfL's London-wide freight strategy is published.

Main Report

Background

1. Freight accounts for a significant proportion of traffic in the City of London (20% between 07.00 and 19.00) and freight vehicles compete for scarce road space with other priority and vulnerable road users such as buses, cyclists and pedestrians. Freight vehicles also account for a disproportionate number of collisions/casualties and are a significant source of air pollution.
2. However, efficient delivery and servicing arrangements are essential for the business City and future growth in City employment will lead to increased demand for deliveries/servicing. It is estimated that the planned growth of London will lead to a 15% growth in demand for freight and servicing by 2025 (TfL - *Transport 2025 Transport vision for a growing world city*).
3. The Local Plan anticipates increasing the City's office floorspace by 1,150,000sq.m between 2011 and 2026. Core Strategy CS1 seeks to accommodate that growth whilst CS16 seeks to minimise congestion.
4. If nothing is done it is likely that conflict between freight and other road users will increase in connection with the anticipated future growth in the numbers of pedestrians and cyclists using the City's streets. Accommodating all these extra demands within the City's constrained street network will be a challenge but experience gained during the

Olympics suggests that opportunities do exist to reduce the impact of servicing and delivery activity.

Strategic Context

5. Freight distribution is very much a cross-boundary activity and many aspects need to be addressed at a strategic rather than local level. Therefore it makes sense for any City freight initiatives to fit within the context of TfL's proposed London-wide Freight Plan.
6. It had been expected that this would be released during the autumn of 2014 but the need for more time to complete data collection and background investigations has pushed back publication of the consultation draft and it now seems unlikely to be released until mid-2016 at the earliest.
7. However, the broad thrust of TfL's approach is already known, being based on the 4Rs 'Reduce, Re-time, Re-route and Re-mode' philosophy adopted with some success during the 2012 Olympics, and the interim City strategy recommended in this report is consistent with that approach. The intention would be to press ahead with the proposed interim measures and undertake a review of progress when TfL's strategy is published.

Key Objective

8. The City already has an approved Road Danger Reduction Plan which contains a dedicated programme of work to address safety issues relating to goods vehicles. It also has Air Quality and Noise Strategies which contain specific proposals and measures to tackle the adverse environmental implications arising from delivery and servicing activity.
9. To avoid unnecessary duplication with these existing strategy documents it is proposed to focus the interim Freight Strategy on the following single objective:

'To reduce the number of freight and delivery vehicles on the City's streets, particularly at peak times, whilst still allowing the City to flourish'

10. Achievement of this primary objective will have a direct impact on levels of traffic congestion in the City and help to free up road space for other priority road users including buses, pedestrians and cyclists. It will also have an indirect effect on other freight-related issues – noise, air pollution and road danger reduction – and contribute towards the achievement of improvements in these strategy areas.

Proposed Strategy

11. The City has a number of tools at its disposal with the potential to influence the pattern of freight activity. In the case of new developments and changes

of use, the planning system is the key to ensuring that buildings are designed and regulated from the outset in such a way as to minimise delivery and servicing activity. In the case of existing developments, securing change is likely to require a combination of ‘hearts and minds’ campaigns to promote voluntary changes and access restrictions to force behaviour change.

12. However, minimising freight activity has not been a policy priority for the City in the past and achieving significant change will require the strengthening and more rigorous application of the tools which are available.
13. In order to ensure a clear focus on achieving the single key objective of reducing the number of freight and delivery vehicles the recommended interim strategy is deliberately framed around a limited number of key measures which are expected to have the most impact:
 - consolidation;
 - delivery and servicing plans;
 - re-timing initiatives; and,
 - stakeholder engagement.
14. These key measures together constitute an action plan which is appended to this report.

Consolidation

15. Reducing the absolute number of freight vehicles whilst maintaining essential deliveries will require the consolidation of loads and/or the use of larger vehicles. In fact, consolidation is likely to be the single most important means of reducing the number of deliveries and may take a number of forms:
 - Off-site consolidation centres. Typically multiple suppliers deliver to a depot outside the City and loads are consolidated reducing the overall number of vehicles entering the City.
 - Procurement and contract management. Businesses adopt procurement policies which achieve consolidation through reducing the number of suppliers and the frequency of deliveries.
 - Collaborative/collective procurement and supply chains. Businesses in multi-tenanted or neighbouring properties agree to use the same suppliers and/or a single nominated carrier for all deliveries.
16. Some City businesses are already consolidating deliveries on a voluntary basis either through their procurement policies or, in a small number of cases, through the establishment of off-site consolidation centres. For

example, one City business has reduced deliveries from 40-80 per week to around 15 through the use of an out-of-City consolidation centre and the developer of 22-24 Bishopsgate is proposing to use an out of City consolidation centre because of the difficulties of servicing in an area with restricted access and high pedestrian activity.

17. However, more needs to be done to increase awareness of the benefits of consolidation and to encourage greater take-up by City businesses. This is particularly the case for large new developments where it may become necessary to require consolidation as a condition of planning approval in order to mitigate otherwise adverse effects of servicing activity on the surrounding area. The Chief Planning Officer and Development Director is currently reviewing the precise mechanism for managing consolidation through the use of planning conditions or legal agreements.
18. The Local Plan provides the policy justification for the regulation of new development in the City and Policy CS16 requires ‘developers to demonstrate, through transport assessments, construction logistics plans, travel plans and delivery/servicing plans (DSPs), how the environmental impacts and road danger of travel and servicing will be minimised’. However, the Local Plan does not contain any specific mention of consolidation. The London Plan, Policy 6.14, requires local planning authorities to promote sustainable freight transport, including consideration of consolidation centres and this provides a mechanism to develop further guidance within the City. The following measures are therefore recommended to make it clear that the City will as a general rule expect new developments to commit to consolidation of deliveries either as a condition of planning permission and/or through a legally binding DSP.

Strategy Measures

- Prepare a Supplementary Planning Document setting out the City’s policy in support of consolidation.
- Require all DSPs to include specific proposals for consolidation.
- Incorporate a specific policy requiring consolidation for new developments in the next iteration of Local Plan.
- Consider the possibility of using City car parks or other premises for consolidation centres.

Delivery and Servicing Plans (DSPs)

19. DSPs are the main means by which the City can regulate the number of freight vehicles servicing new developments and their operational practices. These plans are required under Local Plan policy DM16.1 for all development that will cause significant impacts on the local or wider area through operational deliveries and servicing; DSPs can incorporate a wide range of measures, including consolidation and re-timing, and have the potential to be a very useful tool. However, a recent review of DSPs submitted to the City concluded that most do not contain sufficiently stretching targets to move towards sustainable delivery arrangements; that most building occupiers were unaware of their existence; and, that compliance was poor because the City does not undertake monitoring to ensure that DSP commitments are implemented and observed.
20. It is therefore strongly recommended that the existing DSP system be overhauled to increase its effectiveness. The City is working with the Cross River Partnership, TfL and Westtrans as part of the LaMiLo (last mile logistics) project funded by the European Regional Development Fund to develop revised guidelines and a new template for DSP applications. It is hoped that this will ensure that future DSPs contain much more stringent measures to reduce freight activity associated with new developments and incorporate relevant measures from related City Strategies.
21. However, new guidelines will not revitalise the DSP system by themselves. If DSPs are to play a useful role in the City's freight strategy, more staff resource will also need to be devoted to ensuring that monitoring and enforcement is much more rigorous in future. This extra resource will be delivered through the current restructuring of the City Transportation Section.

Strategy Measures

- Issue revised DSP guidelines and template requiring specific consideration of consolidation, re-timing measures and other environmental controls.
- Establish an enhanced monitoring and enforcement regime.
- Develop an accreditation scheme for compliance and good practice.

Re-timing Initiatives

22. Re-timing deliveries is an option for reducing the number of freight vehicles at times and places of peak pedestrian and cyclist activity.

Switching to daytime off-peak or night-time deliveries can be attractive to some companies and a significant amount of delivery activity already occurs at night on a voluntary basis, though the overall extent of this has not been quantified.

23. TfL has produced guidance to encourage freight operators and businesses to consider voluntary re-timing and this is something that the City could also champion through business engagement. However, securing major re-timing change is also likely to require an element of compulsion; DSPs provide an opportunity to specify that new developments only receive deliveries at off-peak times and Traffic Regulation Orders provide a potential mechanism for restricting access to particular areas at particular times and thereby forcing re-timing. Area-based traffic management and environmental enhancement schemes provide a good opportunity to comprehensively review delivery and servicing requirements and to consider access restrictions at peak times.
24. However, re-timing needs to be considered in the context of the City's Noise Strategy which seeks to control deliveries which cause noise nuisance during the hours of 23.00 to 07.00; 163 planning permissions granted since 2005 have a condition restricting servicing between these hours. In order to ensure that such conditions are not unnecessarily restricting opportunities for night-time deliveries, your officers have established a working protocol to review the environmental and transportation implications of cases where such conditions are proposed.

Strategy Measures

- Extend traffic composition survey to 24 hours to quantify existing night-time freight activity.
- Initiate re-timing trials and monitor impact.
- Agree a protocol which considers the balance between environmental and transportation implications in all cases where planning conditions are proposed which would restrict night-time deliveries.
- Introduce pilot area-based re-timing in conjunction with pedestrianisation schemes – initially Liverpool St and Bank.
- Introduce a process to review all planned environmental enhancement and traffic management schemes with a view to incorporating measures to restrict deliveries at peak times.

Stakeholder Engagement

25. It is clear that securing a major reduction in freight vehicles in the City will have significant implications for the way in which developers, local businesses and freight operators currently operate. It will be essential to have buy-in from these stakeholders as the freight strategy develops and it is therefore recommended that a high-level freight forum is set up to encourage engagement and discussion. It is also recommended that resources be devoted to the development of a programme of promotional material and events to raise awareness of the need for a revised approach to freight in the City and to highlight the benefits of measures such as consolidation and re-timing.
26. It will also be important to continue to engage with TfL on strategic freight matters and with freight industry representatives through the Central London Freight Quality Partnership.

Strategy Measures

- Establish a City Freight Forum with developers, local businesses and freight transport companies.
- Prepare programme of promotional material and events in connection with launch of revised DSP guidelines.
- Engage with stakeholders to promote consolidation, re-timing and other measures to reduce freight deliveries.
- Participate in the TfL Freight Forum and the Central London Freight Quality Partnership.

Other measures

27. This report has concentrated on two of the 4Rs – Reduce and Re-time – which appear to have greatest potential for removing vehicles from the City’s streets. However, opportunities for the other two – Re-route and Re-mode – will also be considered as the strategy develops.
28. The City already has a ban on vehicles over 7.5T (except for access) covering much of the City and is working with the police to strengthen enforcement. Thus vehicles with no legitimate reason for being in the core of the City are already subject to re-routing.

29. As far as re-mode is concerned, the opportunities for switching freight from road to rail or river transport are very limited in the City context due to restricted availability of suitable rail termini and river wharves. However, switching small local deliveries to foot and cycle couriers has the potential to reduce the number of motor vehicles circulating the City and is something the City could seek to encourage, through the DSP system for example.

Corporate & Strategic Implications

30. The development of a City Freight Strategy accords with the objectives of the City's Corporate Plan and will contribute towards the delivery of Core Strategy Policy CS16 which seeks to improve the sustainability of the City's transport system, improve conditions for safe and convenient walking and cycling, minimise congestion and reduce vehicle emissions.
31. An adopted freight strategy will also complement the City's Road Danger Reduction Plan, Noise Strategy and Air Quality Strategy.
32. There are no significant negative impacts on any of the City's equality target groups arising from this report.

Financial Implications

33. The implementation of most of the measures within this report will be met initially within existing budgetary and staff resources (Transport Planning and Development Management) and through the extra staff resource to be recruited as part of the approved restructuring of the City Transportation Section. £30k is allocated for freight initiatives this financial year which will be used for:
- Preparation of consolidation SPD (£20K)
 - Publication and promotion of revised DSP guidelines (£5k)
 - Campaign material and promotional activity (£4k)
 - Establishment of Freight Forum (£1k)
34. The proposed pilot area-based re-timing schemes will be developed and funded as integral elements of the Liverpool Street and Bank area improvement projects.

APPENDIX

ACTION PLAN

	Action	Timeframe	Funding/Staffing
	CONSOLIDATION		
1.	Prepare a Supplementary Planning Document setting out the City's policy in support of consolidation.	Adopt SPD by October 2016	£20,000
2.	Require all DSPs to include specific proposals for consolidation.	By October 2016	Staff resource
3.	Incorporate a specific policy requiring consolidation for new developments in the next iteration of the Local Plan.	Consultation on Issues and Options – September 2016. Adoption of revised Plan 2019.	Included in Local Plan review
4.	Consider the possibility of using City car parks or other premises for consolidation centres.	Ongoing review	Included in car park review
	DELIVERY AND SERVICING PLANS		
5.	Issue revised DSP guidelines and template requiring specific consideration of consolidation, re-timing measures and other environmental controls.	September 2016	£5,000
6.	Establish an enhanced monitoring and enforcement regime.	Establish system by September 2016 then ongoing.	Staff resource
7.	Develop an accreditation scheme for compliance and good practice.	Establish by September 2016 then ongoing	£5,000 Staff resource
	RE-TIMING INITIATIVES		
8.	Extend traffic composition survey to 24 hours to quantify existing night-time freight activity.	December 2015	Included in traffic composition survey
9.	Initiate re-timing trials and monitor impact.	July 2015	Staff resource.
10.	Agree a protocol which considers the balance between environmental and transportation implications in all cases where planning conditions are proposed which would restrict night-time deliveries. Implement protocol.	Completed Ongoing	Staff resource Staff resource

11.	Introduce pilot area-based re-timing in conjunction with pedestrianisation schemes – initially Liverpool St.	Liverpool Street 2018 to coincide with Crossrail opening. Bank interim scheme November 2016: permanent scheme 2020.	Included in Liverpool St scheme.
12.	Introduce a process to review all planned environmental enhancement and traffic management schemes with a view to incorporating measures to restrict deliveries at peak times. Train appropriate staff.	Ongoing	Staff resource
	STAKEHOLDER ENGAGEMENT		
13.	Establish a City Freight Forum with developers, local businesses and freight transport companies.	First meeting May 2016 then ongoing	£5,000 Staff resource
14.	Prepare programme of promotional material and events in connection with launch of revised DSP guidelines (see items 5, 6 and 7).	First tranche to coincide with launch of revised DSP guidelines September 2016.	£15,000
15.	Engage with stakeholders to promote consolidation, re-timing and other measures to reduce freight deliveries.	Ongoing	Staff resource.
16.	Participate in the TfL Freight Forum and the Central London Freight Quality Partnership.	Ongoing	Staff resource.