

Committee(s)	Dated: 25/07/17
Planning & Transportation	
Subject: Strategic Transportation – Freight Strategy Update	Public
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Summary

This report is to update members on progress with work on actions to manage freight movement in the City. Since the last update to your committee in January 2017, work has progressed in several areas.

A significant amount of stakeholder engagement is taking place through the City Freight Forum, Facilities Managers Conference and a range of other industry forums. A quarterly newsletter has been introduced to update stakeholders on news and work to date.

The Delivery and Servicing Guidance was published in February 2017, providing information and best practice on the management of freight. This has been followed by the draft Freight and Servicing Supplementary Planning Document which is brought as a separate item to this committee.

Research into the use of freight consolidation centres has taken place, and potential trials of consolidation and 'micro' consolidation centres are being actively investigated.

Initial engagement with the Environmental Health team has taken place, and a request for organisations to participate in a trial of overnight deliveries has been circulated.

Work has recently been completed looking in detail at several City organisations, to identify current delivery patterns, potential areas of freight best practice, and possible improvements. In depth surveys using GPS technology and camera surveys have also taken place, and the output data highlights key patterns of movement and loading/servicing activity within the Square Mile. This analysis and data is being used to inform future strategy and initiatives.

Recommendation(s)

Members are asked to:

- Note the contents of the report.

1. Introduction

1.1 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 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.

1.2 In December 2015, the Planning and Transportation Committee agreed the principles for a new approach to managing freight in City with a single aim:

“To reduce the number of freight and delivery vehicles on the City’s streets, particularly at peak times, whilst allowing the City to flourish”.

1.3 This approach is being delivered through six works areas:

- Stakeholder Engagement
- Delivery and Service Plans
- Consolidation
- Retiming Initiatives
- Case Studies
- Data collection and analysis

1.4 This report will review progress to date across the freight strategy workstream.

2. Stakeholder Engagement

City Freight Forum

2.1 The City Freight Forum brings together key business and industry stakeholders from across the City three times a year. The key function of the forum is to advise on and contribute to future policies and initiatives to address freight and transportation issues in the City.

2.2 To date the Forum has met twice. Feedback from members has highlighted the importance of data to inform the development of freight policy. Members have also highlighted the need to address personal deliveries, and this will be the subject of a discussion at the next meeting later this year.

2.3 The Forum also provided access to businesses who are interested in supporting initiatives on retiming and/or consolidation.

City Freight Conference for Facilities Managers

2.4 On April 20th the City of London Corporation hosted a conference for facility managers in the City. Chaired by Christopher Hayward and introduced by Mark Boleat, the conference included presentations by DHL on consolidation, Duddle on personal deliveries and TfL on London-wide freight strategy.

2.5 Follow up work with several of the organisations in attendance, as well as the presenters, has found that the conference facilitated further conversations between service providers and facility managers.

2.6 Due to the success of the conference, it will be repeated next year.

Newsletter

2.7 The first City Freight Newsletter was published at the end of June, and was sent to 64 internal and external stakeholders identified through the Freight Forum and City Facilities Managers Conference. The newsletter contained updates on the freight work being undertaken by the Strategic Transportation team and news of upcoming events. The newsletter will be distributed quarterly.

Next Steps

2.8 Prepare for next City Freight Forum, which will be held in September, with a focus on personal deliveries.

3. Delivery and service plans

Delivery and Servicing Guidance

3.1 The City of London Delivery and Servicing Guidance, which provides information and best practice for developers and organisations wishing to manage deliveries and servicing more effectively was approved by your Committee in February 2017. The guidance has been published on the City Corporation's website and been promoted through the City Freight Forum and Freight Newsletter.

Supplementary Planning Document (SPD)

3.2 The draft Freight and Servicing SPD, and associated Strategic Environmental Assessment (SEA) Scoping Report has been produced, and the proposed document for consultation is brought before your committee today as a separate item.

4. Consolidation

4.1 Freight consolidation is the practice of managing deliveries more effectively by grouping multiple vehicle orders into fewer consolidated loads using a freight consolidation centre.

4.2 There is a significant amount of consolidation already taking place across the City. For example, retail and café units consolidate off site in distribution warehouses and construction consolidation is standardised practice for major developers. To support consolidation during construction we have distributed TfL's construction consolidation directory to relevant parties.

4.3 Planning conditions are increasingly being used to require consolidation in large developments. The example of 1 Undershaft underlines the significant

opportunity offered by consolidation. This development was expected to generate 385 deliveries a day, which will be reduced to 193 through consolidation.

- 4.4 We have been working with new developers, such as Merchant Land for their pre-application on Creechurch Lane, to ensure early consideration of consolidation and meeting with CPA members to develop planning consents for 1 Undershaft amongst other high profile developments.
- 4.5 At least two major city businesses are investigating the possibility of consolidating deliveries to their buildings and we will continue to work closely with the business community and freight industry through the CPA, City Freight Forum, Freight Conference for Facilities Managers and Case Study Work Stream to identify opportunities for and promote the benefits of consolidation.
- 4.6 Opportunities exist for consolidation of deliveries to existing and smaller office developments in the City. Consolidation in these areas may require more support and co-ordination between businesses in order to make this a reasonable proposition.

Research and optioneering

- 4.7 Whilst the concept of consolidation is straight forward, successful and sustainable consolidation has proven difficult. Once public funding ends, it can operation can struggle to continue without significant volume, as was the case with the Bristol and Bath Consolidation Centre.
- 4.8 Therefore, a major component of this workstream has been researching the requirements of a successful consolidation service. We have engaged with several businesses, freight hauliers, consolidation providers and academics as well as attending conferences to identify the best options for the City.
- 4.9 As a result of this engagement the City of London Corporation is now involved in many national and international freight working groups focussed on consolidation, including CityLab, Freight in the City and Freight Traffic Control 2050.

Trialling consolidation at Guildhall

- 4.10 The London Borough of Camden is working in partnership with DHL and TfL as part of the Last Mile Logistics (LaMiLo) European Commission project to deliver a consolidation service from Edmonton, North London.
- 4.11 As part of the case studies work, we have surveyed the loading bay at the Guildhall to understand the quantity and type of goods received. This information is currently being used in conjunction with DHL to estimate the cost of a consolidation service. City Procurement has been involved early in the process to maximise potential benefits of using the scheme.
- 4.12 Should we proceed, detailed monitoring will take capture any benefits. These, alongside details of the process and lessons learnt, will then be shared with businesses to encourage further uptake of consolidation.

Micro-Consolidation

- 4.13 Micro-consolidation differs from freight consolidation as it is undertaken at a significantly smaller scale and in more central urban locations. Key benefits are that the 'last mile' journey can be undertaken using cargo bikes and electric vehicles, delivering a significant air quality benefit – research by DHL indicates that 18% of all emissions occur during the final mile
- 4.14 From the December 2015 P+T report, political authority was given to review City assets, especially car parks, as potential locations for consolidation. Unfortunately, with the headroom requirements for vehicle access, the volume of traffic and the location of our assets, there is nothing suitable for major scale freight consolidation.
- 4.15 However, London Wall car park presents a significant opportunity for micro-consolidation. With the police set to take over a significant proportion of the car park, DBE are reviewing the implications of closing the car park as a public use asset and passing ownership to the City Surveyors as a corporate asset. As London Wall car park is also within the Low Emission Neighbourhood area there is funding currently available from this project to support the delivery and implementation of a micro-consolidation centre at this site.
- 4.16 This will also improve site security for the City Police, disincentivise use of private motor vehicles and potentially improve the operational efficiencies of our other car park facilities. We are actively pursuing this with all relevant internal stakeholders
- 4.17 A report on the future use of London Wall car park will be coming to Committee in September.

Next steps

- 4.18 Continue research in consolidation and return to this committee on October 24th this year with a series of options for encouraging consolidation across the Square Mile
- Work *alongside* the City Surveyors, City Police and other areas of DBE to develop plans and proposals for a micro-consolidation centre in London Wall car park that benefits all parties and strategic corporate objectives.
- 4.19 Continue to work with the Low Emission Neighbourhood teams to pilot initiatives and trials in this area that support efforts to improve air quality in the City.
- 4.20 Finalise agreements for use of the consolidation centre in conjunction with City Procurement. Should this be adjudged to require committee sign off, this will be sent to Planning and Transportation Committee on October 24th.

5. Retiming initiatives

- 5.1 Through the Freight Forum and Facilities Managers Conference, one of the key challenges to re-timing deliveries raised by stakeholders was restrictions on overnight deliveries to limit noise disturbance.
- 5.2 We have engaged with the Environmental Health team, who deal with noise complaints from deliveries, to discuss how noise complaints are dealt with, and identify potential areas for trialling night time deliveries with City businesses.

Next steps

- 5.3 Through engagement with Environmental Health, and with stakeholders through the Freight Forum and Facilities Managers Conference, organisations willing to participate on overnight delivery trials are being identified. An initial request for organisations to participate in the trial was included in the City Freight Newsletter and we are following up with individual businesses to encourage participation.

6. Freight Case Studies

Project Background and Methodology

- 6.1 In partnership with, and primarily funded by the City's Low Emission Neighbourhood (LEN) team, nine case studies were commissioned to understand the delivery and servicing patterns taking place in a range of City businesses.
- 6.2 The organisations involved in the project were: The City Corporation (Guildhall), Barbican, Walbrook Wharf, Linklaters, Land Securities (140 Aldersgate), Museum of London, the Cheapside Business Alliance and a major international bank. All but the Walbrook Wharf site are located in the vicinity of the Low Emission Neighbourhood.
- 6.3 The aims of the case studies workstream were twofold;
- a) to improve understanding of freight activities to inform future policies and activities, and
 - b) to identify opportunities for similar organisations to change delivery and servicing arrangements to improve efficiency and reduce the impact on the City environment.
- 6.4 In each target organisation, data on delivery movements was collected. The data collection was followed up by an interview with relevant staff involved in the procurement and receipt of goods and services.

Key Findings

- 6.5 Detailed results and identified opportunities for change in each case study organisation are shown in Appendix 1. The key findings were:

Personal Deliveries

6.6 The number of personal deliveries varies significantly between different organisations, at Guildhall only one or two deliveries were recorded, whereas at Citypoint, it was estimated that up to 60% of mail received could be personal, rather than corporate. In most cases, the surveys found it difficult to distinguish between personal and corporate post, suggesting that the true scale of the issue will never be easily or accurately measured.

6.7 Directing staff to a 'click and collect' hub, where workers can collect their parcel from a drop-off point outside the City, is one potential alternative for organisations wishing to reduce the number of personal deliveries to work.

Catering

6.8 In office developments where on-site catering exists, food and drink deliveries were found to be a significant proportion of freight movements. Catering accounted for 35% of all deliveries at Guildhall, 22% at Linklaters and 19% at Citypoint. 140 Aldersgate, which has no on-site catering, has just 2% of deliveries providing food and drink.

6.9 There is potential for simple consolidation to reduce the impact of catering deliveries. In many cases, especially in multi-tenanted buildings, the surveys recorded instances of similar produce being delivered by multiple providers, suggesting that simple co-ordination of suppliers could result in fewer deliveries. Where organisations have multiple sites within the City, maximising delivery co-ordination between the sites could yield benefits, with one site acting as a consolidation hub for the others. Maximising available on-site storage can help enable consolidation of non-perishable goods.

Re-timing

6.10 The vast majority of organisations receive almost all their deliveries in the morning, with a large number being received during the morning peak (pre-9am). In most cases the organisation receiving the delivery does not specify a delivery time, so there may be scope for some off-peak deliveries to take place where goods have been ordered. Mail and document deliveries may not have the same flexibility with re-timing, but opportunities may exist, where an organisation has a contract with a preferred courier, to require cycle or zero emission delivery where possible.

Next steps

6.11 The results of the case study work are being analysed alongside other data collection work to identify potentially effective workstreams that the City Corporation could instigate to reduce the impact of delivery and servicing trips on the City environment.

- 6.12 The case study documents will be made available on the City Corporation website, and made available to stakeholders particularly through the LEN networks.
- 6.13 A paper on the management of personal deliveries will be presented to the next City Freight Forum in September for discussion on viable ways of managing this aspect of demand.

7. Data collection and analysis

- 7.1 Several freight surveys have been completed to provide data on freight and servicing activity within the City of London.
- 7.2 This includes 24hour on-street activity surveys in several areas of the City between 11th – 14th March 2017, which provide details on the type of activity undertaken, the time and duration, and the vehicle used.
- 7.3 A large dataset was also obtained from a GPS Traffic Company, which has provided information on freight vehicles traveling through the City during September 2016. A whole range of analysis has been completed on this dataset to understand the routing of freight traffic, its origin and destination and the day and time of trips.
- 7.4 Along with the Traffic Composition Surveys undertaken bi-annually by the City, these surveys have provided a wealth of information, with even further analysis to also be completed. A Freight Data report is appended to this report, however some key findings are as follows;
- Goods traffic makes up a fifth of all traffic on the City of London streets (including pedal cycles) , and nearly 30% of motorised road traffic (omitting pedal cycles)
 - Goods vehicle flows in the City have fluctuated between 1999 and 2016. However, 2016 were the lowest observed flows for light and heavy goods vehicles, and follows the overall general decline since 1999
 - Of the goods traffic that travels through the City, half is through traffic, whilst the other half either originate their journey in the City, end it in the City or are completely within the City
 - The majority of freight traffic that's destination is within the City originates in Greater London or just beyond the M25 (62%). 34% originates within the City and just 4% is from the rest of the UK
 - The weekly profile of goods traffic that ends their journey within the City shows that trips are evenly spread on a Monday- Friday. Saturday receives less than half of weekday freight vehicles and Sunday is even less
 - Across the City, the specific destination of goods traffic is not evenly distributed. The area around Liverpool Street and the Eastern City Cluster receives the highest number of goods vehicles, which could be a reflection of the high density of office floorspace and level of construction activity
 - Half of goods vehicle activity in the City is associated with loading or unloading, and half is servicing (engineering services, maintenance etc.).

- 70% of freight activity in the City occurs between 07:00 and 19:00

Next steps

7.5 Explore the opportunity to work with the University of Westminster and University of Southampton, to further the analysis of our freight surveys and support their Freight Traffic Control 2050 Project.

8. Programme

July

- Draft Freight SPD and SEA Scoping Report to P&T Committee
- Freight Strategy Update to P&T Committee

August

- Consultation on Draft Freight SPD starts
- Publish case studies

September

- Consultation on Draft Freight SPD ends
- Third Freight Forum
- Report to P & T Committee on London Wall car park

October

- Re-timing trials implemented
- Report to P & T Committee on options for encouraging consolidation

November

- Final draft of Freight SPD
- Initial Draft of Local Plan to P&T and P&R Committees, including Deliveries and Servicing policy

December

- Final Freight SPD to P&T Committee

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Appendix 1: Case Studies

Appendix 2: City of London Freight Data