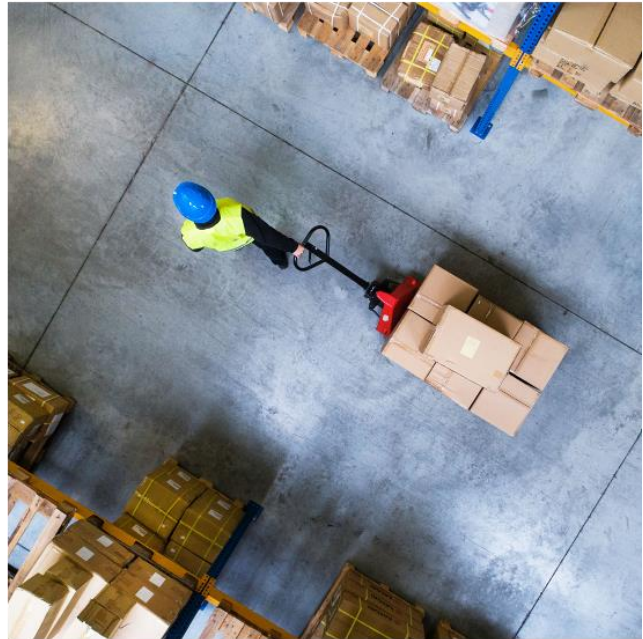


The Potential for Urban Logistics Hubs in Central London



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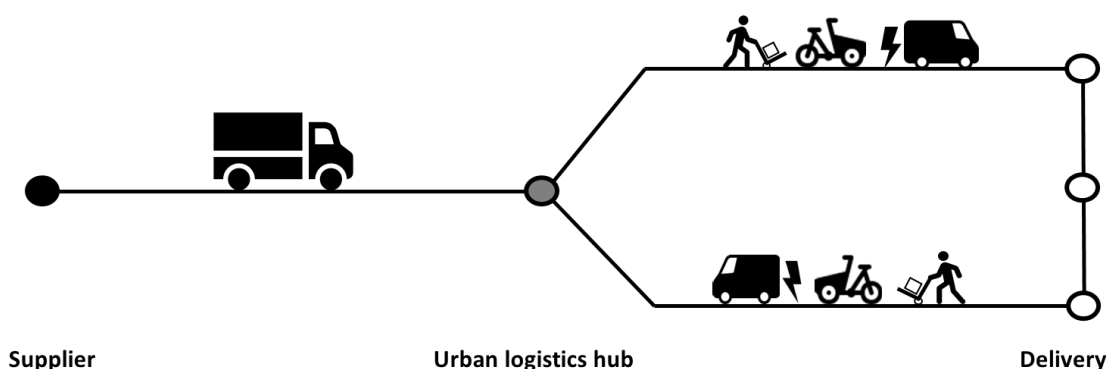
Executive summary

Overview

The Cross River Partnership, working on behalf of the Central London Sub Regional Transport Partnership (CLSRTP), commissioned Steer to identify potential sites for urban logistics hubs in central London and to develop an understanding of the market demand for such facilities.

This collaborative study has involved engagement with local authority officers, landowners, Business Improvement Districts (BIDs) and operators of urban logistics hubs. The information provided by these stakeholders has been fundamental to the development of the study's findings and recommendations.

'Urban logistics hubs' are distribution facilities located within an urban area to fulfil the 'last mile' of the supply chain. They range in size and nature of operations; from larger sites hosting a fleet of electric vans (which this report refers to as 'logistics hubs'), to small facilities served by cargo bikes (referred to as 'micro logistics hubs').



The central finding of this study is that urban logistics hubs have an important role to play in promoting clean and efficient freight activity in London. The use of such hubs directly supports the rationalisation of goods and the use of low and zero emission vehicles. In turn this supports in a reduction in the number of delivery vehicle trips, better management of congestion at peak times and a reduction in harmful emissions.

Different types of operators are actively looking for new urban logistics hub sites in central London; from national parcel carriers to small, just-in-time cargo bike couriers. Factors that emerged as critical to operators when considering sites included good access to the strategic road network, security, sufficient height clearance and cost. Operators are willing to consider a wide range of sites if conditions are right, such as car parks, railway arches or other 'spare' available space.

This study identified 29 such spaces that have potential for use as urban logistics hubs. Following the recommended next steps set out in the report will require co-ordinated action from Cross River Partnership, the boroughs, landowners, BIDs, operators, Transport for London (TfL) and the Greater London Authority (GLA). These actions are focused on bringing forward the identified sites with greatest potential into operation as quickly as possible. They will also look to ensure that demand can be more easily matched to supply (between owners and landowners, respectively) in future, which was identified as a key barrier.

The role and benefits of urban logistics hubs in central London

The use of urban logistics hubs allows goods to be sorted near to the end destination. This allows for deliveries going to the same area (e.g. the same postcode sector, street or even building) to be rationalised and moved on to low and zero emission vehicles, which supports:

- a reduction in total vehicle mileage;
- a reduction in ‘empty running’ distance/better utilisation of vehicles;
- a reduction in the number of delivery vehicles used; and
- a reduction in emissions.

Urban logistics hubs therefore have an important role to play in reducing and re-modelling freight trips to make them cleaner and more efficient. The Mayor’s Transport Strategy¹ and associated Freight and Servicing Action Plan² include several objectives on this theme.

In recognition of the role that urban logistics hubs can play in mitigating the impacts of freight and servicing activity within London, the draft new London Plan³ contains policies to support the protection of land for industrial and logistics purposes, particularly in central London. For example, Policy SD4 says that “Sufficient capacity for industry and logistics should be identified and protected, including last mile distribution, freight consolidation and other related service functions within or close to the CAZ [Central Activities Zone].”

What makes urban logistics hubs work?

There are already several examples of successful urban logistics hubs in central London (Chapter 3). For example, Ecofleet operates a last mile delivery and consolidation service using cargo bikes from a micro-logistics hub in south London and DPD provides parcel distribution services from a logistics hub in Westminster, utilising a fleet of 10 electric vans and eight micro-vehicles.

Some of the common success factors and barriers to implementing successful and sustainable urban logistics hubs are shown below.

Success factors for urban logistics hubs:		Barriers to successful urban logistics hubs:	
✓	Achieving a viable volume of deliveries	✗	Finding suitable space in the right location
✓	Suitable local policy and regulatory context	✗	Limitations of low emission vehicles
✓	Appropriate type of end user	✗	High cost of land and/or leases in London
✓	Understanding the motivation for end users		
✓	Provision of public funding/support		
✓	Professionalism of the operator		
✓	Promotion/marketing of the facility		

¹ Available at: <https://www.london.gov.uk/sites/default/files/mayors-transport-strategy-2018.pdf>

² Available at: <http://content.tfl.gov.uk/freight-servicing-action-plan.pdf>

³ Available at: https://www.london.gov.uk/sites/default/files/draft_london_plan_-_showing_minor_suggested_changes_july_2018.pdf

Demand for urban logistics hub space in central London

A key finding from conversations with various operators was that there is very strong desire to find new sites for urban logistics hubs, and operators are willing to consider a variety of different types of site as long as costs are not prohibitive.

The below ‘model’ specifications provide a summary of ideal site requirements specified by urban logistics hub operators participating in this study.

Table 1: Summary model specification for a logistics hub













		
Location	Space	Access
Needs to be proximate to TLRN to enable efficient vehicle access. Want to avoid local one-way systems if possible.	Floor space of at least 280m ² (3,000ft ²) but ideally 465-930m ² (5,000-10,000ft ²) As much headroom as possible.	Minimum height of 3 metres but >4m could be needed. Standard hours are usually 08:00-18:00.
		
Lease/contractual	Security	Other
Longer lease period of 5+ years preferred but is highly dependent on client contracts.	CCTV system needs to be in place to protect assets, goods and staff. Individual secure spaces are needed if operators are to co-locate with others.	Electric vehicle charging points may be needed, depending on the vehicles in use and the nature of operation.

Table 2: Summary model specification for a micro-logistics hub

		
Location	Space	Access
Needs to be proximate to TLRN to enable efficient vehicle access. Want to avoid local one-way systems if possible. Focused within central London.	Floor space between 90-185m ² (1,000-2,000ft ²) is ideal. Railway arches and under-utilised car parks most suitable, but other spaces can be considered.	Height access requirement typically >3 metres but >2 can be workable. Access likely to be needed over a 14-hour period starting from 06:00.
		
Lease/contractual	Security	Other
Shorter leases with high levels of flexibility preferred. Break clause preferred if possible.	CCTV system needs to be in place to protect assets, goods and staff. Individual secure spaces are needed if operators are to co-locate with others.	Electric vehicle charging points may be needed, depending on the vehicles in use and the nature of operation.

The potential space available for urban logistics hubs in central London

Engagement with boroughs, landowners, businesses and BIDs identified 29 sites in central London that have potential to be used as urban logistics hubs. Discussions with operators about the type of space needed informed a suitability assessment for each site and subsequent ranking based on overall suitability for use as an urban logistics hub.

Most of the 29 sites identified were car parks (23), though the list also includes a railway arch, an industrial estate, garages and a basement. Appendix C provides further detail on 11 of the most promising sites. This sample was selected to demonstrate variety across site types, different London boroughs and potential types of operation. The sites are:

1. **Galleywall Trading Estate**, LB Southwark – industrial unit
2. **Westminster Q-Park**, Westminster – underground car park
3. **Marble Arch Q-Park**, Westminster – underground car park
4. **St. John's Wood Q-Park**, Westminster – underground car park
5. **37 Kings Road**, Kensington and Chelsea – underground car park and servicing area
6. **Cavalry Square Gardens**, Kensington and Chelsea – underused garages
7. **Ryan Court Car Parking**, LB Lambeth – underused garages
8. **Tower Bridge Q-Park**, LB Southwark – multi-storey car park
9. **Blue Anchor Lane Railway Arches**, LB Southwark – railway arches
10. **Canterbury Crescent Car Park**, LB Lambeth – surface car park
11. **London Wall Car Park**, City of London – underground car park

The locations of these potential sites are shown in Figure 1 below, along with the central London locations of the case studies outlined in Chapter 3.

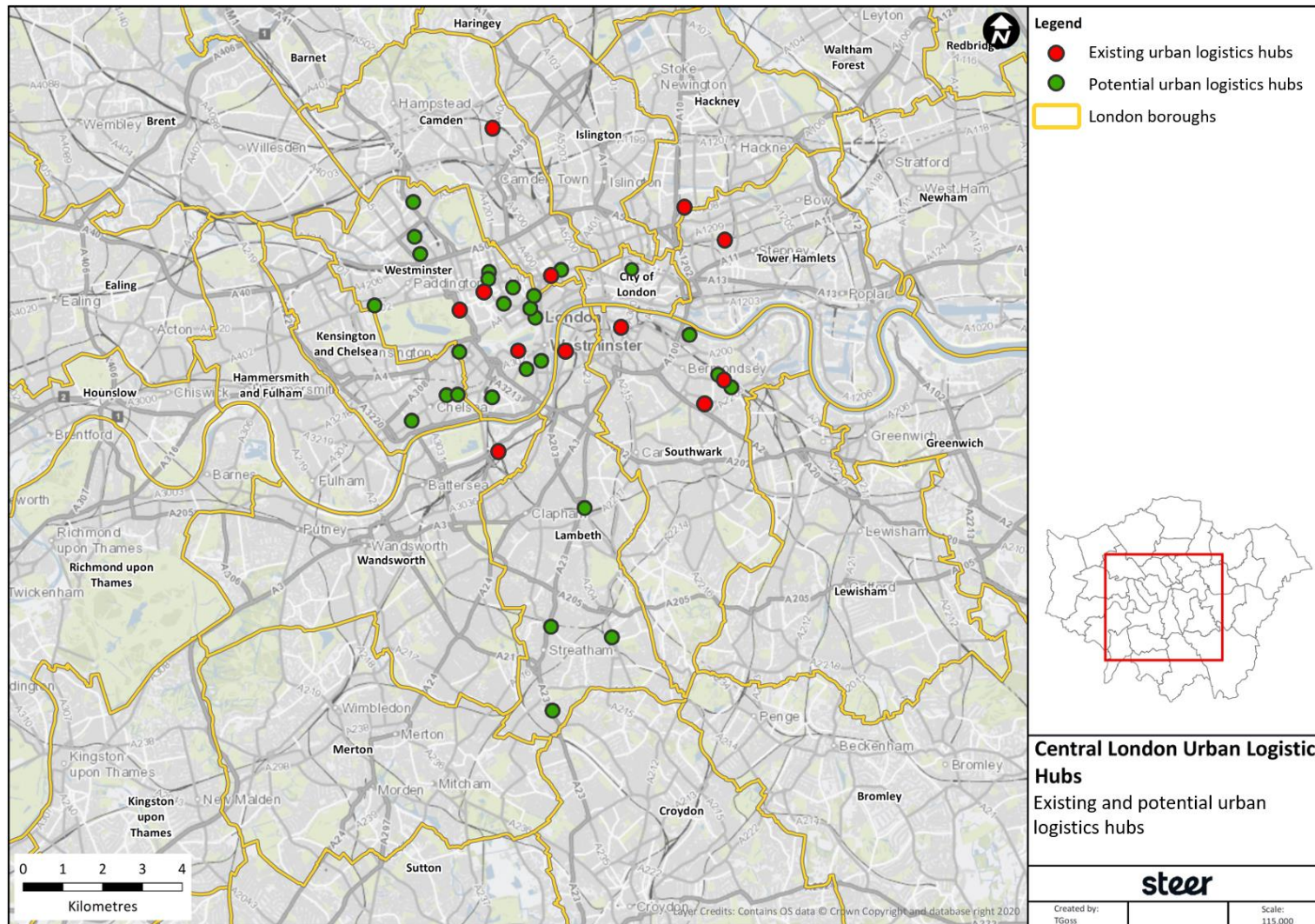
Next steps

This study has found that there is strong demand for space for urban logistics operations in central London and benefits to making use of under-utilised space for this purpose. However, the difficulty of finding suitable sites was evident in the development of this study and remains a challenge for operators. But while landowners can find it difficult to identify available sites, operators might not have made it clear what they are looking for. It is hoped that this study can help to bridge this gap and make a positive contribution to addressing this fundamental challenge.

The recommended next steps are focused on actions that need to be taken to bring more urban logistics hubs into operation in the immediate term and those that will allow potential sites to be identified and brought into operation more quickly and easily in future. This study recommends that:

1. Stakeholders should collaborate to identify the next steps for bringing the highest ranked sites into operation as urban logistics hubs.
2. A centralised list of suitable sites for use as urban logistics hubs should be maintained.
3. A process for identifying more sites in the future should be developed.
4. Opportunities to provide funding support to smaller/micro-logistics operators with the substantial costs of buying/leasing space in central London continue to be pursued.

Figure 1: Existing urban logistics hubs and identified sites for potential future sites for urban logistics hubs in central London



1 Introduction

- 1.1 Steer was commissioned by the Cross River Partnership (CRP) to identify potential sites for urban logistics hubs in central London and to develop an understanding of the market demand for such facilities. The study was identified as a priority for the Central London Sub Regional Transport Partnership⁴ (CLSRTP) – consisting of ten local authorities in central London – to take advantage of heightened interest in freight and servicing – including urban logistics hubs – amongst local leaders to deliver the Mayor of London’s policy objectives, including:
- reducing the number of lorries and vans entering central London in the **morning peak by 10 per cent by 2026**;
 - **improving the efficiency** of freight and servicing trips on the strategic transport network;
 - **improving the efficiency** of last mile deliveries and servicing;
 - supporting the transition to the use of **Ultra Low Emission Vehicles in London**, which are those that emit less than 75g CO₂/km from the tailpipe⁵ and include battery electric vehicles, plug-in hybrid vehicles, range-extended electric vehicles, hydrogen fuel cell electric vehicles⁶, as well as cycles and cargo bikes;
 - supporting the implementation of **Zero Emission Zones across London**⁷; and
 - supporting the delivery of **Vision Zero**⁸, which aims to **eliminate all deaths and serious injuries from road collisions by 2041**.
- 1.2 The use of urban logistics hubs can help to support each of these objectives by reducing the number of vehicles needed to deliver goods and services in central London, and distributing using safer, cleaner and more efficient modes.
- 1.3 The study included the local authorities of Camden, City of London, Lambeth, Southwark, Wandsworth and Westminster. It was informed by correspondence and meetings with local authority officers, landowners, Business Improvement Districts (BIDs) and operators.
- 1.4 Other local authorities in the CLSRTP include: Islington, Hackney, Kensington and Chelsea, and Lewisham (see Figure 1.1 for a map of local authorities). While not directly involved in this study, each will benefit from its outputs, such as the site identification template (Appendix A) and model specification for different types of urban logistics hubs (Chapter 5). Similarly, this study will contribute to the growing and evolving understanding of the supply and demand for urban logistics hubs across London and other cities.

⁴ <https://crossriverpartnership.org/projects/central-london-sub-regional-transport-partnership/>

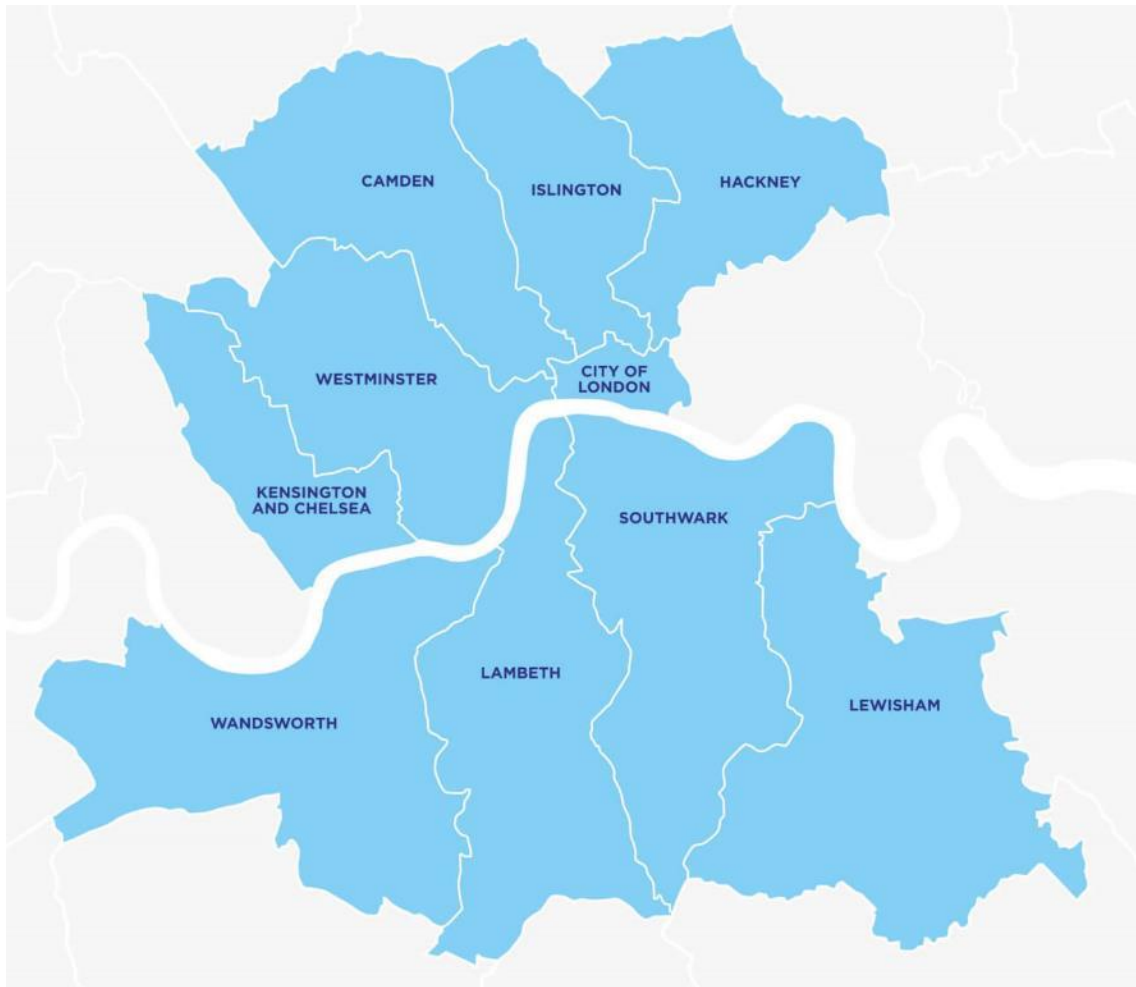
⁵ Office for Low Emission Vehicles (2020) <https://www.gov.uk/plug-in-car-van-grants>

⁶ Mayor’s Transport Strategy (2018) Available at: <https://www.london.gov.uk/sites/default/files/mayors-transport-strategy-2018.pdf>

⁷ <https://laqm.defra.gov.uk/action-planning/measures/low-emission-zones.html>

⁸ <http://content.tfl.gov.uk/vision-zero-action-plan.pdf>

Figure 1.1: Local authorities in the Central London Sub Regional Transport Partnership

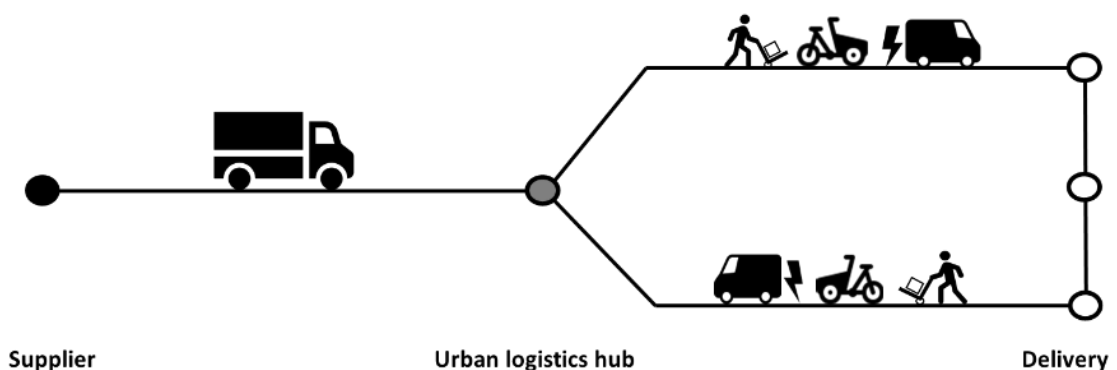


Source: Cross River Partnership

Urban logistics hubs

- 1.5 The use of urban logistics hubs can be considered a relatively new approach to operating freight and logistics services within dense urban areas. They should not be confused with vast distribution and consolidation centres outside or on the outskirts of towns and cities. Urban logistics hubs range in size and operations; from larger sites hosting a fleet of electric vans, to small facilities served by cargo bikes.
- 1.6 While there are various different models of urban logistics hubs and supply chains, general characteristics include:
- **Location:** within an urban area to fulfil the ‘last mile’ of the supply chain;
 - **Access:** ground floor, with level access for a 44T HGV;
 - **Size:** ideally a minimum of 465m² (5,000ft²) floor space for larger urban hubs, with precise sizing dependant on type of vehicle used (courier bike, cargo bike, trike, or van), the number of vehicle parking spaces required, and the volume of goods passing through the facility. Smaller sites ideally have a minimum of 185m² (2,000ft²) floor space, though much smaller spaces are workable in many cases, depending on the type of operation; and
 - **Facilities on-site:** Toilets and other staff welfare facilities, suitable electricity supply for vehicle charging, 24/7 site security and relevant fencing, cameras, etc.
- 1.7 Below, Figure 1.2 shows the typical urban logistics hub supply chain. This entails HGVs or large LGVs bringing goods to the urban hub, before ‘last mile’ deliveries are made by pedestrian porters, cargo bikes or small electric vans.

Figure 1.2: Typical urban logistics hub supply chain



- 1.8 The difference in the scale and nature of operations requires differentiation between larger urban sites that are typically served by an operator as part of a wider supply chain network and that operate a fleet of vans – such as a national parcel carrier (which is currently the primary sector for this type of operation) – and smaller sites being served by last mile and/or cycle freight specialists.
- 1.9 This report refers to the larger operations as ‘logistics hubs’ and smaller operations as ‘micro-logistics hubs’. When referring to both types of logistics hubs generally, the report refers to ‘urban logistics hubs’.

Report structure

- 1.10 The report is structured around two primary areas of interest:
- **Supply – identifying suitable sites for urban logistics hubs:** this was informed by engagement with local authorities, landowners and BIDs and is most relevant for those looking to understand the type of sites that are suitable for urban logistics, as well as those that have been identified in central London as part of this study. The sections of the report most relevant to this area of interest include:
 - **Chapter 3. Urban logistics hub case studies**, which includes case studies that provide examples of the types of sites currently used for urban logistics hub operations;
 - **Chapter 4. Site identification**, which lists the 29 potential sites identified across central London as part of this study; and
 - **Appendix C**, which provides a more detailed overview for 11 of the potential sites.
 - **Demand – understanding operator requirements:** this was informed by discussions with a number of logistics operators in London, including companies delivering different types of goods – such as parcels and fresh food – at a range of scales, from national parcel carriers using a fleet of electric vans to smaller operators using cargo bikes and cycle couriers. As such, it showcases the types of operations being carried out in central London and will be relevant to those who would like to understand the ambitions and site requirements of different operators. The sections of the report most relevant to this area of interest include:
 - **Chapter 3. Urban logistics hub case studies**, which includes case studies that provide examples of the types of operations currently using urban logistics hubs;
 - **Chapter 4. Engagement with operators**, which includes details on the operators that participated in the study and the key insights from this engagement; and
 - **Chapter 5: Model site specification**, which sets out the key site requirements for logistics hubs and micro-logistics hubs, as specified by operators.
- 1.11 Understanding the potential supply and demand for urban logistics hubs in central London has allowed this study to identify opportunities and challenges for further uptake. While synergies between these areas of interest are discussed throughout, Chapter 7 sets out next steps and includes an Action Plan of recommendations for key stakeholders over the next 12 months.

2 Policy review

Introduction

2.1 This chapter presents an overview of the national, regional and local transport policies and guidance that are relevant to this study.

National Policy Documents

- *National Planning Policy Framework*, Ministry of Housing, Communities and Local Government (2019)
- *Planning Practice Guidance on Housing and Economic Needs Assessment*, Ministry of Housing, Communities and Local Government (2019)
- *Better Delivery: The Challenge for Freight*, National Infrastructure Commission (2019)
- *Decarbonising Transport: Setting the Challenge*, Department for Transport (2020)
- *Gear Change: a bold vision for cycling and walking*, Department for Transport (2020)

Regional Policy Documents

- *Draft London Plan*, Greater London Authority (2019)
- *Mayor's Transport Strategy*, Transport for London (2018); and
- *Freight & Servicing Action Plan*, Transport for London (2019).

Sub-Regional Policy Documents

- *Freight & Servicing Strategy*, West End Partnership (WEP) (2018)

Local Policy Documents

- *Camden Local Plan*, London Borough of Camden (2017)
- *City Streets, Transport for a changing Square Mile, Transport Strategy*, City of London (2019)
- *Lambeth Transport Strategy*, London Borough of Lambeth (2019)
- *New Southwark Plan*, London Borough of Southwark (2020)
- *Local Implementation Plan (ILP)*, London Borough of Wandsworth (2019)
- *Westminster City Plan 2019-2040*, Westminster City Council (2019)

National policy

National Planning Policy Framework, Ministry of Housing, Communities and Local Government (2019)⁹

- 2.2 The National Planning Policy Framework sets out the Government's planning policies for England and how these should be applied. It provides a framework within which locally-prepared plans for housing and other development can be produced.
- 2.3 Policy 9 – 'Promoting Sustainable Transport' refers to how the planning system should actively manage patterns of growth in support of sustainable transport objectives. This means that significant development should be focused in locations that can support the objectives of limiting the need to travel and offering a genuine choice of active and sustainable transport modes. This will help to reduce congestion and emissions to improve air quality.

Planning Practice Guidance on Housing and Economic Needs Assessment, Ministry of Housing, Communities and Local Government (2019)¹⁰

- 2.4 This guidance was published in 2015 and updated in 2019. It guides local authorities in how to assess their housing and economic needs. The guidance recognises the critical role that the freight industry plays in enabling an efficient, sustainable and effective supply of goods for consumers and businesses, as well as contributing to local employment opportunities.
- 2.5 The guidance advises that local authorities will need to assess the extent to which policy support and land is required for a wide range of logistics requirements, including the needs of SMEs and of 'last mile' facilities that serve local markets. It recommends that authorities use up-to-date evidence to be able to establish the appropriate amount, type and location of provision; including market signals, anticipated changes in the local population and the housing stock, as well as the local business base and infrastructure availability.

Better Delivery: The Challenge for Freight, National Infrastructure Commission (2019)¹¹

- 2.6 The Commission's central finding is that through the adoption of new technologies and the recognition of freight's needs in the planning system, it is possible to decarbonise road and rail freight by 2050 and manage its contribution to congestion.
- 2.7 Guidance directs local authorities to assess the need for further space for distribution facilities, based on local business and community needs, now and within the next five years. The report stresses that every new home built has an impact on supply chains and the space required to facilitate efficient operations. As a result, the requirement for additional logistics space should be properly considered in planning processes.
- 2.8 The report recognises the many emerging approaches to managing freight in urban areas that could help to reduce the industry's contribution to congestion. It cites the example of use of consolidation centres, which has been shown to reduce freight vehicle trips into congested

⁹ Available at:

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/810197/NPPF_Feb_2019_revised.pdf

¹⁰ Available at: <https://www.gov.uk/guidance/housing-and-economic-development-needs-assessments>

¹¹ Available at: <https://nic.org.uk/app/uploads/Better-Delivery-April-2019.pdf>

areas. However, commercial viability and industry appetite remain challenges to wider roll-out. Aside from reducing the total number of trips, re-moding trips using quieter electric vehicles or embracing emerging schemes such as e-cargo bikes and pedestrian portering are stated as being important additions to the last mile mix. These kinds of changes will also support congestion reduction aims.

- 2.9 The study also supports the decarbonisation of road and rail freight by 2050, including a ban on diesel HGVs by 2040. Working to these objectives will have a profound impact on the way that freight is managed. Reducing and re-moding freight will contribute to these objectives.
- 2.10 The planning system is also important. The report recommends that where the business case supports consolidation centres, authorities should use the planning system to make land available and consider the case for funding land and construction, or subsidising operations in the short term. The case for consolidation centres can be made stronger by building incentives for their use, which might come through planning restrictions on new build properties and giving consolidated services preferential regulatory treatment, such as more kerbside provision for loading/unloading.

***Decarbonising Transport: Setting the Challenge, Department for Transport (2020)*¹²**

- 2.11 This document is described as “the first step to developing the policy proposals and a coordinated plan for decarbonising transport”. It looks at the “significant and sustained” challenge of delivering the emissions reductions needed from transport and states that a net zero target demands a fresh approach, while suggesting that the UK has a duty to act and provide global leadership in this area.
- 2.12 ‘Decarbonising how we get our goods’ is one of the six priorities set out as part of the Transport Decarbonisation Plan, which identifies the following key principles:
- **consider future demand and changing consumer behaviour** for goods;
 - **transform ‘last-mile’ deliveries** – developing an integrated, clean and sustainable delivery system; and
 - **optimise logistics efficiency** and explore innovative digitally-enabled solutions, data sharing and collaborative platforms.
- 2.13 With regards to current policies in place to deliver these priorities, the *Road to Zero Strategy* (2018) sets out government aspirations for zero emission HGVs, including the following initiatives:
- a £20 million Low Emission Freight and Logistics Trial supporting industry-led R&D projects, trialling a range of low-emission technologies for freight; and
 - ongoing work to understand the potential to learn from demonstrator projects how to overcome some of the hurdles associated with the implementation of novel freight decarbonisation technologies with partners including the Connected Places Catapult;
- 2.14 The document also includes a case study of partnership working between e-Cargobikes.com (an e-bike logistics company) and Sainsbury’s to trial the use of electric cargo bikes to deliver

¹² Available at:

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/932122/decarbonising-transport-setting-the-challenge.pdf

groceries, using funding from a DfT innovation grant. Using five bikes, delivering up to 100 orders a day from the Streatham Common store, the study found:

- 96.7 per cent of orders could be fulfilled in a single e-cargo bike journey; and
- quicker journey times for deliveries made using cargo bikes rather than vans, due to the ability of e-cargo bikes to make use of cycle and bus lanes and avoid motor vehicle congestion.

Gear Change: A bold vision for cycling and walking, Department for Transport (2020)¹³

2.15 This recently published walking and cycling strategy touches a number of pertinent issues for freight, namely that the Government will:

- extend the e-cargo bike grant programme as part of its wider programme to decarbonise deliveries, as set out in the *Last Mile Review* and *Transport Decarbonisation Plan*;
- pilot compulsory freight consolidation schemes in one or two small historic city centres with narrow and crowded streets, to ensure that all deliveries (except perishables and items that require specialist carriers) are made to consolidation centres on the edge of the city centre, or the edge of the city, then taken to their final destinations in a far smaller number of vehicles, including cargo bikes and electric vans wherever possible; and
- use these pilots to complement work already underway by towns and cities to develop Clean Air Zones to improve air quality.

Regional policy

Draft London Plan, Greater London Authority (2019)¹⁴

2.16 A draft London Plan was published by the Mayor for consultation in December 2017. A timeline of its progress to full adoption is summarised below;

- Draft new London Plan published – December 2017
- Consultation period ended – March 2018
- Report summarising representations prepared – July 2018
- Examination in Public (EiP) – January-May 2019
- EiP report fact-checking and submission to Secretary of State – Sep-Dec 2019
- Publishing of final London Plan – (planned for 2020)

2.17 The London Plan is the statutory Spatial Development Strategy for Greater London prepared by the Mayor of London. The legislation requires the London Plan to include the Mayor's general policies in respect of the development and use of land in Greater London and statements dealing with general spatial development aspects of his other strategies.

2.18 The current 2016 Plan (The London Plan consolidated with alterations since 2011) is still the adopted Development Plan, but the Draft London Plan is a material consideration in planning decisions. Policies contained in the Intend to Publish (ItP) London Plan published in December 2019 are not subject to a direction by the Secretary of State but carry significant weight.

¹³ Available at:

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/904146/gear-change-a-bold-vision-for-cycling-and-walking.pdf

¹⁴ Available at: https://www.london.gov.uk/sites/default/files/draft_london_plan_-_showing_minor_suggested_changes_july_2018.pdf

- 2.19 A key catalyst for exploring the feasibility of last-mile logistics hubs in London is within policy “E4 Land for industry, logistics and services to support London’s economic function” which describes that a sufficient supply of land and premises in different parts of London to meet current and future demands for industrial and related functions should be provided and maintained. Of key relevance to this and previous studies is the reference to “making provision for the varied and operational requirements of storage and logistics/ distribution (Use Class B8) including ‘last mile’ distribution close to central London”.
- 2.20 In addition to the above highlighted policy is the wording within “Policy SD4 The Central Activities Zone (CAZ)” to ensure that “Sufficient capacity for industry and logistics should be identified and protected, including last mile distribution, freight consolidation and other related service functions within or close to the CAZ”. This supports the ambition to create and deliver logistics hubs within central London.
- 2.21 However, there is limited policy guidance in how to design or what should be included within a logistics hub. “Policy T7 Deliveries, servicing and construction” simply refers to ensuring that these sites “at all scales should be designed to enable 24-hour operation to encourage and support out-of-peak deliveries”.
- 2.22 In addition to these more specific freight and servicing policies, the Mayor sets out policies in which the use of urban logistics hubs would also support, namely:
- Policy SI 1 Improving air quality;
 - Policy SI 2 Minimising greenhouse gas emissions. and
 - Policy T7 Deliveries, servicing and construction.

***Mayor’s Transport Strategy, Transport for London (2018)*¹⁵**

- 2.23 The Mayor’s Transport Strategy (MTS) sets out plans to transform London’s streets, improve public transport and create opportunities for new homes and jobs, to ensure London is a fairer, greener, healthier and more prosperous city.
- 2.24 The strategy introduces a number of proposals and those with particular relevance to freight and servicing are summarised as follows:
- **Proposal 15:** The Mayor, through TfL, will work with the boroughs, businesses and the freight and servicing industry to reduce the adverse impacts of freight and service vehicles on the street network. The Mayor aims to reduce the number of lorries and vans entering central London in the morning peak (07:00-10:00) by 10 per cent by 2026.
 - **Proposal 16:** The Mayor, through TfL, and working with the boroughs and the Freight Forum, will improve the efficiency of freight and servicing trips on London’s strategic transport network by:
 - Identifying opportunities for moving freight by rail where this will not impact passenger services and where the benefits will be seen in London.
 - Increasing the proportion of freight moved on London’s waterways.
 - Reviewing the potential benefits of a regional freight consolidation and distribution network and completing the network of Construction Consolidation Centres in London.
 - **Proposal 17:** The Mayor, through TfL, working with the boroughs and the Freight Forum, will work with landlords and all parts of the supply chain, including the freight industry,

¹⁵ Available at: <https://www.london.gov.uk/sites/default/files/mayors-transport-strategy-2018.pdf>

BIDs and individual businesses, to improve the efficiency of last-mile deliveries and servicing.

- **Proposal 33:** The Mayor, through TfL and the boroughs, will introduce regulatory and pricing incentives to support the transition to the use of Ultra Low Emission Vehicles in London.
- **Proposal 35:** The Mayor, through TfL and the boroughs, and working with Government, will seek to implement zero emission zones in town centres from 2020 and aim to deliver a zero emission zone in central London from 2025, as well as broader congestion reduction measures to facilitate the implementation of larger zero emission zones in inner London by 2040 and London-wide by 2050 at the latest.

2.25 The MTS also introduces the concept of the ‘Healthy Streets Approach’, which provides a framework for putting human health and experience at the heart of planning the city.

2.26 The aim of the Healthy Streets Approach is to help create a vibrant, successful city where people can live active, healthy lives. The success of which is measured against the indicators shown in Figure 2.1.

2.27 The broader approach to reducing car dependency and enabling a shift to more active and sustainable modes also resonates with the prioritised response to the Covid-19 pandemic; which has seen active travel promoted as a key way to stay safe and travel for both utility and recreational purposes. Increased walking and cycling also has an important role to play in helping to mitigate the increased use of the private car, as people migrate from using public to private forms of transport. This approach is supported by the Cross River Partnership’s *Healthy Streets Everyday* programme, which is a Mayor’s Air Quality funded initiative to help London boroughs deliver Healthy Streets projects across London¹⁶.

2.28 The MTS stresses that reducing car-dependency is key to improving the efficiency of freight and commercial journeys, as congestion means that operators often need to deploy more vehicles to meet customer demands, which further exacerbates the problem. Freight is seen as crucial to London’s economy and Healthy Streets are those that operate efficiently for all.

***Freight & Servicing Action Plan, Transport for London (2019)*¹⁷**

2.29 The Freight & Servicing Action Plan provides clarity on future policies and sets out the actions TfL and its partners intend to take now and in the future to support safer, cleaner and more efficient freight operations. The plan was developed by TfL in collaboration with the freight industry, business representation groups, London boroughs and key individual businesses.

Figure 2.1: Healthy Streets Indicators



Source: Transport for London

¹⁶ <https://crossriverpartnership.org/healthy-streets-everyday/>

¹⁷ Available at: <http://content.tfl.gov.uk/freight-servicing-action-plan.pdf>

- 2.30 The Freight & Servicing Action Plan is one of a number of daughter documents to the MTS, as well as the Cycling Action Plan, Walking Action Plan and Vision Zero Action Plan. These plans provide more detail on how MTS policies and objectives will be delivered up to 2041.
- 2.31 The plan highlights current trends in freight and focuses on challenges and opportunities at a London-wide strategic level and a local level. It looks at potential interventions, including urban logistics hubs, consolidation centres, use of the river and rail network, area freight management plans, Delivery and Servicing Plans, collaborative procurement, kerbside management and access restrictions, amongst others. Notably, it directs to two toolkits to help local authorities, businesses and operators to reduce, re-mode, retime and re-route, which will be expanded and consolidated into a comprehensive online resource:
- Efficient Deliveries Toolkit, including separate guidance on retiming deliveries, reducing personal deliveries to businesses and waste consolidation.
 - Water Freight Toolkit.
- 2.32 The document also includes findings from a study into potential consolidation models for London (see Figure 2.2 below). Notably, the findings against ‘micro-logistics and last-mile logistics’ are relevant to this study, indicating that previous examples of urban logistics hubs have been commercially successful and that the key challenge is finding land for hubs. This study aims to provide further insight into this particular issue in London.

Figure 2.2: Potential consolidation models for London

Consolidation model	Findings
Consolidation centres for Opportunity Areas, such as Old Oak Common, by either enforced (eg planning conditions) or voluntary participation (eg set out in Delivery and Servicing Plans)	The research found that using a consolidation centre for newly developed areas could achieve significant vehicle reductions, but that significant political will and funding would be required. If mandatory or enforced participation and the right level of charging were introduced a break-even scenario should be possible.
A network of consolidation centres serving the clean air zone	The study did not recommend this model of consolidation for London. It was not considered possible or efficient to try and provide a ‘one size fits all’ solution. The variety of supply chains, different sectors and end customers is too vast, dense and complex. Strong policy and significant investment would also be required.
Using planning powers to require use of preferred suppliers for multi-tenanted buildings	This would allow consolidation at source and will reduce trips. The study recommended ‘wholehearted uptake’ of this approach.
Micro-consolidation and last-mile logistics	Examples in London show this can be commercially successful and supports increased use of zero emission deliveries. The key challenge is identifying land for micro-distribution centres.
Consolidation centres to serve outer London town centres	This could reduce the number of vehicle trips. The study found this model has potential for London but would require strong policy and financial support.

Source: Transport for London

- 2.33 Additionally, the Plan discusses the potential for increasing the use of collection points and other click-and-collect facilities, whether located in local shops, post offices, other dedicated spaces or within transport hubs. This form of customer-facing micro-logistics solution can help to reduce unnecessary return trips resulting from missed deliveries and can be serviced using low and zero emission vehicles. While not a primary focus of this study, this form of micro-distribution is highly adaptable (due to minimal space requirements) and should be considered as an important part of the suite of urban logistics hub solutions.

Sub-regional policy

Freight & Servicing Strategy, West End Partnership (2018)¹⁸

- 2.34 The Freight & Servicing Strategy, drafted by Cross River Partnership, sets out the West End Partnership's commitment to reduce the volume of freight; to ensure that the road network is used efficiently; and to minimise the impact of the remaining, efficient freight. The partnership includes public and private organisations and therefore reflects a collaborative approach to managing freight in this area of London.
- 2.35 The strategy sets ambitious targets beyond those of the Mayor to reduce the numbers of delivery and servicing vehicles in the West End. These measures include:
- reducing absolute numbers of delivery & servicing vehicles by 10 per cent across the WEP area; and
 - reduce delivery and servicing vehicles by at least 80 per cent in areas of key importance to the West End, at the times of day when visitor numbers are at a peak.

Local policy

- 2.36 A summary of local policy relevant to the six participating CLSRTP local authorities of Camden, City of London, Lambeth, Southwark, Wandsworth and Westminster are summarised below. This includes a mixture of transport strategies and local plans. The study has chosen the documents that most closely reflect current thinking and policy direction with regards to urban logistics, rather than focusing on their statutory status.
- 2.37 Overall, it should be noted that each has set ambitions to reach net zero carbon emissions in its organisation and borough by 2050, with the majority aiming for 2030. This will drive many transport policy decisions over the next 30 years.

Camden Local Plan, London Borough of Camden (2017)¹⁹

- 2.38 The Camden Local Plan is the key strategic document in Camden's development plan. It sets out the vision for shaping the future of the borough and contains policies for guiding planning decisions. With Camden's population forecast set to grow by nearly 2,000 per year until 2031, the challenge is to ensure that growth is supported by healthy and sustainable transport choices. Between 2006 and 2014, trips by car in Camden reduced by 31 per cent, whilst total motor vehicle trips reduced by 27 per cent. The Local Plan's policies seek to prioritise further shift to sustainable modes.
- 2.39 The plan's Policy T4 "Sustainable movement of goods and materials" details how the Council will promote the sustainable movement of goods and materials and seek to minimise the movement of goods and materials by road. It aims to do this through:
- encouraging the movement of goods and materials by canal, rail and cycle where possible;
 - protecting existing facilities for waterborne and rail freight traffic; and
 - promoting the provision and use of freight consolidation facilities.

¹⁸ Available at: <https://crossriverpartnership.org/wp-content/uploads/2018/06/WEP-Freight-and-Servicing-Strategy-Final-June-2018.pdf>

¹⁹ Available at: <https://www.camden.gov.uk/documents/20142/4820180/Local+Plan.pdf/ce6e992a-91f9-3a60-720c-70290fab78a6>

City Streets: Transport for a changing Square Mile, City of London Transport Strategy, City of London (2019)²⁰

- 2.40 The Transport Strategy provides a 25-year framework for future investment in and management of the City's streets, as well as measures to reduce the social, economic and environmental impacts of motor traffic and congestion.
- 2.41 The strategy proposes to reduce the number of motorised freight vehicles in the Square Mile by 15 per cent in 2030 and by 30 per cent by 2044, whilst also facilitating the transition to ultra-low and zero emission delivery vehicles. It also pledges to explore the potential for area and City-wide timed access and loading restrictions for motorised freight vehicles – aiming to reduce the number of these vehicles by 50 per cent by 2030 and by 90 per cent by 2044.
- 2.42 The City is also being pro-active in utilising the planning process to require all new major developments to use a consolidation service to reduce deliveries to its buildings. In terms of last-mile logistics, the City envisages enabling more deliveries using cargo bikes, on foot and by small electric vehicles by:
- delivering two last mile logistic hubs in underutilised City Corporation assets by 2022. A further three hubs will be delivered by 2025;
 - establishing additional last mile logistics hubs if appropriate underutilised assets are identified;
 - exploring opportunities to acquire new sites within or adjacent to the Square Mile for last mile logistic hubs; and
 - working with developers and landowners to integrate last mile logistic hubs as part of major City developments.

Lambeth Transport Strategy, London Borough of Lambeth (2019)²¹

- 2.43 This strategy has been prepared in advance of the forthcoming borough-wide carbon reduction strategy that will consider further measures required to deliver Lambeth's carbon neutral objective by 2030. The Transport Strategy Implementation Plan will respond to this work and set out how measures will be implemented to deliver the necessary outcomes.
- 2.44 The strategy describes that the borough will trial innovative measures to reduce the impacts of freight trips in Lambeth, including development of an Area Freight Management Plan for the Brixton area as part of the Liveable Neighbourhood project. Lambeth also plans to use its powers as a local planning authority to encourage consolidation/minimisation of development-related freight trips.

New Southwark Plan, London Borough of Southwark (2020)²²

- 2.45 The New Southwark Plan (NSP) will be a new borough-wide planning and regeneration strategy up to 2033. The council submitted the NSP to the Secretary of State on 16 January

²⁰ Available at: <https://www.cityoflondon.gov.uk/assets/Services-Environment/city-of-london-transport-strategy.pdf>

²¹ Available at: <https://www.lambeth.gov.uk/better-fairer-lambeth/lambeth-transport-strategy-transport-strategy-implementation-plan>

²² Available at: <https://www.southwark.gov.uk/planning-and-building-control/planning-policy-and-transport-policy/development-plan/local-plan?chapter=4>

2020. This means that the 'Examination in Public' process has now started, which is the last stage of the plan-making process.

- 2.46 In the Central Activities Zone, town centres, opportunity areas and specified site allocations, development must promote integration of servicing with homes and employment space to accommodate freight and logistics. Developers will also be asked to ensure that the physical layout of mixed-use developments can support a range of commercial uses, including freight/logistics.
- 2.47 There is little direct policy wording relating to logistics hubs or consolidation centres in the plan, though there is support for development within railway arches to provide commercial space for the 'B Use Classes', which includes urban logistics hubs.

Local Implementation Plan (LIP), London Borough of Wandsworth (2019)²³

- 2.48 Wandsworth's Local Implementation Plan (LIP) sets out the Council's vision for transport in the borough to 2041.
- 2.49 The Council will monitor and review air quality in the borough, especially in the five focus areas and will take action to improve air quality in these areas, including through the provision of electric vehicle charging, last mile deliveries, cargo bike trials. Otherwise for freight, the plan underlines the importance of taking a 'whole street approach', which requires looking at all street uses (including delivery and servicing activity) to increase efficiency and reduce the use of motor vehicles.

Westminster City Plan (2019-2040), Westminster City Council (2019)²⁴

- 2.50 Westminster City Council (WCC) submitted the City Plan 2019-2040 to the Secretary of State on 19 November 2019. The 'Examination in Public' is now complete, which is the final stage before adoption. Once the City Plan 2019-2040 has been adopted, it will be the Local Plan for Westminster and will replace all current policies in Westminster's City Plan (November 2016) and policies in the Unitary Development Plan (2007).
- 2.51 Policy 30 of the Plan 'Freight and Servicing' states that the "council will strongly support the provision of consolidated facilities for freight, servicing and deliveries". This includes securing space for freight and servicing in new developments and ensuring applicants produce Delivery and Servicing Plans to encourage last mile delivery modes.
- 2.52 WCC support the West End Partnership's (WEP) Freight & Servicing Strategy, which sets ambitious targets beyond those of the Mayor to reduce the numbers of delivery and servicing vehicles in the West End. The plan aligns with Policy S42 in the Freight & Servicing Strategy, which is to ensure that freight, servicing and deliveries are managed in new developments in such a way as to mitigate the adverse impacts of associated activity.

²³ Available at:
https://www.wandsworth.gov.uk/media/4979/wandsworth_council_third_local_implementation_plan.pdf

²⁴ Available at:
https://www.westminster.gov.uk/sites/default/files/core_001_regulation_19_publication_draft_city_plan_2019-2040_wcc_june_2019.pdf

- 2.53 Broadly speaking, the WEP’s strategy and WCC’s City Plan both place an impetus on firstly reducing the number of vehicles, then re-moding the last mile of deliveries, followed by re-timing outside of peak hours.

Summary

- 2.54 A review of these Transport Strategies and Local Plans has highlighted the following broad objectives that the introduction of last mile cargo / cycle hubs will support:
- **To reduce the number of delivery and servicing vehicles in central London;**
 - **To improve air quality;**
 - **To improve road safety;**
 - **To reduce congestion; and**
 - **To work towards borough-wide net zero carbon emissions by 2050 (at the latest).**
- 2.55 Part of this study requires engagement with the central boroughs to submit sites for consideration for use as a cargo / cycle hub. Ultimately, these sites will be judged on their suitability to the above strategic aims as well as their feasibility from a physical, managerial and geographical perspective.
- 2.56 It is also pertinent to note that the outbreak of Covid-19 is likely to have lasting impacts on the commercial landscape and physical development of London. In the immediate term, as businesses and local authorities assess the best way to respond to the challenges ahead, there are opportunities to put forward radical proposals to change the way that freight is managed in London, which will feed into the longer-term strategic approach to transport, economic recovery and overall “green recovery”. This is perhaps a once-in-a-generation opportunity to take the necessary steps.

3 Urban logistics hub case studies

Introduction

- 3.1 This chapter includes a number of urban logistics hub case studies to illustrate good practice and considerations relating to scalability, transferability, future innovation and early adopters of alternative technology and systems. Lessons learnt from these case studies have shaped the identification, assessment and ranking of potential sites for hubs in this study.
- 3.2 The central London locations of urban logistics hubs discussed in this chapter are identified as 'Existing urban logistics hubs' in Figure 6.1, alongside potential future sites identified by participants in this study (see Chapter 6).
- 3.3 The case studies are separated into the following urban logistics hub types:
- **Logistics hubs:** larger sites within the urban area, which are used by operators that often have their own national supply chains and make use of electric vans for last mile deliveries.
 - **Micro-logistics hubs:** smaller sites within the urban area, which are used by operators with a more localised supply chain and focus mostly on cycle freight and pedestrian porters for last mile deliveries.

Overview of case studies

Logistics hubs in London

- 3.4 Current logistics hubs are usually served by a fleet of electric vans but can also be used for cycle freight. These operations are usually situated within the urban area and deliver goods and services within a small geographic radius.
- 3.5 A number of these hubs have been set up in London. The benefits realised have included:
- Reduced **overall vehicle mileage**;
 - Reduced **empty running distance**;
 - Reduced **distance on main roads**;
 - Reduced **deliveries on main roads in AM peak**;
 - Reduced **number of deliveries to end users**;
 - Reduced **emissions**; and
 - Overall **reduction in business costs**, largely achieved through reduced fuel costs.

Table 3.1: Examples of logistics hub operations in London.

Examples	Policy context	Enabling factors
<p>DPD Westminster</p> <ul style="list-style-type: none"> Fleet: 10 electric vans and eight micro-vehicles Operation: parcel distribution by electric vehicle, heavy investment in the depot (£500k initially, £3m over next 10 years) Area: two square miles in central London 	Central London Congestion Charge Zone, introduction of the Ultra-Low Emission Zone	One site located at TfL-owned land in central London. Second site proposed in off-street car park, supported and facilitated by WEP and Westminster Council
<p>Guy's and St. Thomas' Hospitals / CEVA Logistics</p> <ul style="list-style-type: none"> Up to 20 vehicles, hoping to transition to electrical vehicles Deliveries are pre-sorted at the consolidation centre in Dartford, enabling important clinical supplies to be distributed more efficiently to different departments upon arrival at the hospital sites. 	Central London Congestion Charge Zone, introduction of the Ultra-Low Emission Zone	Received research grant from NHS England to help set the operation up and cover starting costs

Micro-logistics hubs in London

- 3.6 Micro-logistics hubs might make use of small electric vans, but generally focus on the use of cycle freight (including cycles, cargo bikes and/or electric cycles and cargo bikes), with some use of pedestrian porters.
- 3.7 This form of operation can often provide the fastest, cleanest and most efficient option for transporting goods in cities. Vehicles used are zero emission at point of use, light, quiet and can use a mixture of highways and cycling infrastructure; meaning that they can take short cuts through areas restricted for general traffic to gain a competitive advantage.
- 3.8 There are numerous examples of successful implementation. Policymakers can learn from each type of example, as operators can have different business models, have adapted in different ways to their specific geography and have benefited from varying enabling factors, such as public sector support.

Table 3.2: Examples of micro-logistics operations in London

Examples	Policy context	Enabling factors
<p>Sainsbury's London</p> <ul style="list-style-type: none"> Fleet: five electric cargo cycles, provided by e-cargobikes.com Operations: 100 orders per day Area: South London 	MTS / Healthy Streets	None
<p>FM Conway</p> <ul style="list-style-type: none"> The contractor is running a trial to utilise cargo-bikes to reduce the number of construction vehicles within London. The bikes carry materials of various sizes, including bags of sand and boxes of fittings. Each bike can carry up to 250kg and is fitted with an electric pedal assist motor and GPS tracking 	Central London Congestion Charge Zone, introduction of the Ultra-Low Emission Zone, MTS / Healthy Streets	Phase two of the Illuminated River project for Westminster City Council.

3.10 The following section provides detailed case studies of both types of urban logistics hubs from London and further afield. These draw out the key benefits, success factors, barriers and lessons learnt. While many examples are still in operation, others have relocated or closed down. As such, they present a balanced view; highlighting successes without ignoring the realities of the challenges of setting up a commercially viable operation.

River and rail urban logistics hubs

3.11 While this study focuses primarily on urban logistics hubs served by the road network, it is important to note that the river and rail network will play a key role in the future of freight operations. These networks already carry around 10 per cent of freight in London²⁵ and Mayoral policy is directed at encouraging re-moding to more efficient modes, which includes river and rail. Subsequently, urban logistics hubs at national rail stations or piers and wharves can contribute to safer and cleaner last mile deliveries across central London.

Rail urban logistics hubs in central London

3.12 Most rail freight in the UK is associated with carrying aggregates and other materials within the construction industry. However, there is potential to use national railway stations as hubs for last mile deliveries of smaller goods to the urban area. Figure 3.1 shows that all mainline stations in central London are suitable for collection points, many larger stations have the potential to carry freight on passenger trains and a few stations can accommodate dedicated freight trains; indicating significant potential for further study.

Figure 3.1: Rail freight opportunities in London



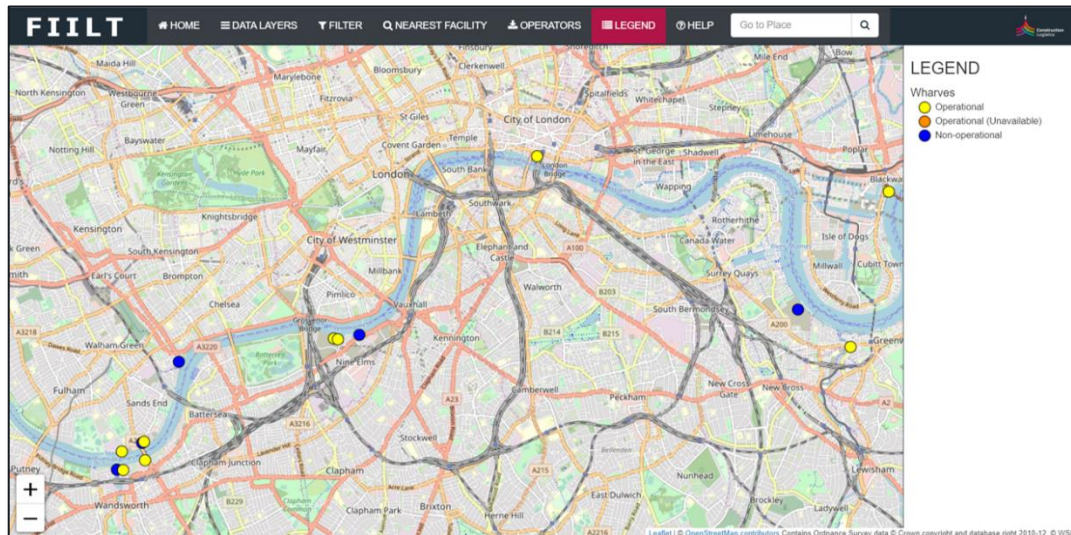
Source: LAMILO

²⁵ TfL (2019) Freight and Servicing Action Plan, Available at: <http://content.tfl.gov.uk/freight-servicing-action-plan.pdf>

River freight in central London

3.13 The River Thames also offers opportunities for carrying goods for urban last mile deliveries. The Thames handles around 12 million tonnes of cargo a year and more construction aggregates than any other port in the UK²⁶ but this is most focused on heavy industry. Figure 3.2 below shows that there are a number of active wharves in central London and therefore opportunities to carry smaller goods into the heart of London also.

Figure 3.2: Map of operational and non-operational wharves in central London



Source: Water Freight Toolkit, WSP

3.14 Piers in London can also be used to ship goods. DHL has begun transporting packages using riverboat services operated by Thames Clippers Logistics²⁷. Shipments are loaded from electric vehicles onto the riverboat at Wandsworth Riverside Quarter Pier, before docking at Bankside Pier for last mile delivery by courier cycles. This case study shows that urban logistics carried out using the river can be efficient and commercially viable.





Source: DHL


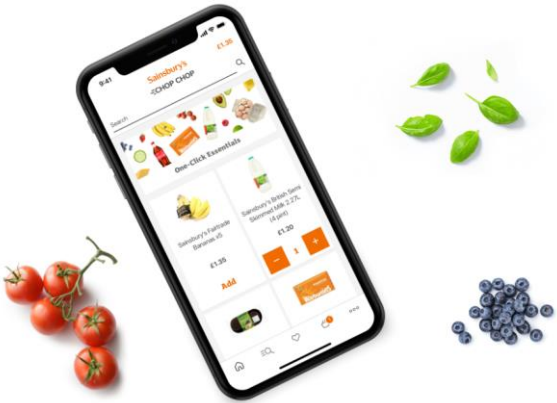
²⁶ TfL (2019) Freight and Servicing Action Plan, Available at: <http://content.tfl.gov.uk/freight-servicing-action-plan.pdf>

²⁷ <https://www.dhl.com/global-en/home/press/press-archive/2020/dhl-express-demonstrates-next-step-of-urban-logistics-in-london.html>

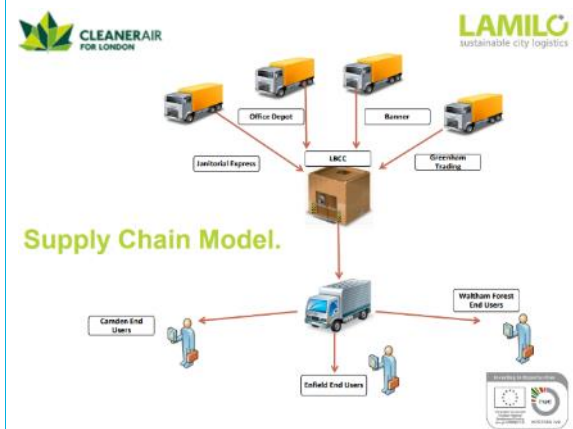

Detailed case studies

Ecofleet, London	
Scheme description	<p>Ecofleet operates a last-mile delivery and consolidation service from their south London base. It operates to most postcodes within Zones 1 & 2. It connects retailers, with a growing food offer since the onset of Covid-19, to its customers through a fleet of 20 large electric cargo bikes and an electric van.</p>
	 <p>Source: Ecofleet</p>  <p>Source: SMENews</p>
Benefits	<ul style="list-style-type: none"> • Use of the large cargo bike allows deliveries to be consolidated, reducing bike trips to and from the warehouse • The cargo bike can carry as much as 200kg, enabling a diverse mix of loads to be transported • Eco-bike delivery can be cheaper than using trucks, with lower maintenance and operational costs. These benefits can be passed on to the consumer
Success factors	<ul style="list-style-type: none"> • Onset of the Covid-19 pandemic has accelerated changes in retail, which has benefitted those operating delivery options and couriers • Having their own space with staff facilities has helped to create a better working environment for their staff • Ability to quickly and easily adapt their offer in light of market changes has led to success • Having a variety of differing cargo bikes gives more flexibility to the type of goods that can be shipped
Key barriers	<ul style="list-style-type: none"> • Finding suitable and usable space for expansion • Difficulties in procuring cargo bikes – producers have asked for minimum purchases which slows expansion • Landlords not offering leniency with leases.
Lessons learnt	<ul style="list-style-type: none"> • Ecofleet demonstrates that an environmentally friendly last-mile delivery can operate with success in London. • Providing versatility in bike / vehicle fleet allows for a greater breadth of good to be transported • Sites that can facilitate expansion would be preferable given difficulties in finding new spaces.


Sainsbury's / Chop Chop, London


<p>Scheme description</p>	<p>Since the onset of the Covid-19 pandemic, Sainsbury's have repurposed unused central London convenience stores into 'dark convenience stores' where essential groceries and household products can be stockpiled.</p> <p>The operation allows customers to order up to 20 items for same-day delivery, within 3km of the Blackfriars store in the City of London. With the store's usual office-based consumers moving to work from home, the Blackfriars store was one of 12 small local outlets used mainly by commuters that was closed.</p> <p>The move to repurpose the store represents a method to expand Sainsbury's home delivery offer as demand has spiked since the start of lockdown measures.</p>	 <p>Source: Sainsbury's</p>  <p>Source: Chop Chop</p>
<p>Benefits</p>	<ul style="list-style-type: none"> • Effective and economic re-use of existing space • Adds resilience and alternative options to Sainsbury's home delivery offer 	
<p>Success factors</p>	<ul style="list-style-type: none"> • The changing retail habits forced by the Covid-19 pandemic • Grocery spending online rose 13 per cent in the three months to 22 March 2020 	
<p>Key barriers</p>	<ul style="list-style-type: none"> • With office workers returning to Central London, it appears that the store has re-opened fully as a convenience store. • Natural conflict in closing store and using for consolidation and providing convenience store offer will only grow as more commuters return to Central London. 	
<p>Lessons learnt</p>	<ul style="list-style-type: none"> • Shows example of how existing retail space could be converted to accommodate cycle logistics and micro consolidation. 	


London Boroughs' Consolidation Centre


<p>Scheme description</p> <p>In 2012 the Chief Procurement Officer at the London Borough of Camden embarked on a project to further explore the consolidation centre concept and the feasibility of such a solution for Camden and its borough partners of Enfield, Islington and Waltham Forest. The project secured funding from two sources, the European Union and the Mayor's Air Quality Fund.</p> <p>The consolidation centre opened in January 2014 and while there have been successes, overall proof of concept for larger consolidation centres in London remains inconclusive. This suggests that smaller, urban logistics hubs are more likely to be viable for London, though there are lessons to be learnt for central London local authorities.</p> <p>The centre collates and consolidates a range of goods and prepares them for onward delivery to the council's sites on planned and optimised delivery routes utilising two low emission (Euro V) trucks. The consolidation activity is performed in a 2,000 sq. ft. (185m²) shared-use warehousing space and employs two drivers, one warehouse person and part-time administrator.</p>	  <p style="text-align: right;">Source: LAMILO</p>
<p>Benefits</p>	<ul style="list-style-type: none"> • 46 per cent reduction in the number of vehicle trips delivering to council sites. • 45 per cent reduction in the total distance travelled by delivery vehicles, resulting in decreased emissions. • 41 per cent reduction in CO₂ emissions. • 51 per cent reduction in NO_x emissions. • 61 per cent reduction in PM emissions. • Over 70 per cent vehicle capacity utilisation achieved.
<p>Success factors</p>	<ul style="list-style-type: none"> • Effective collaborative working with universities, BIDs, hospitals, offices and retailers in local areas to achieve maximum throughput. Once the facility is in place, adding volume increased the efficiency, cost effectiveness and environmental benefits for all. • Staff behaviour change was critically important – sufficient time needs to be allocated to communications so that staff understand the changes. • Scheduled deliveries ease the burden on receptions and post rooms and free up staff for more productive tasks.
<p>Key barriers</p>	<ul style="list-style-type: none"> • Zero emission vehicles are not readily available on a short-term hire basis • Staff behaviour change is critically important – sufficient time should be allocated to communications so that staff understand the changes
<p>Lessons learnt</p>	<ul style="list-style-type: none"> • A freight consolidation scheme can have a greater overall positive outcome than merely converting supplier's fleets to zero emission. • The collection of waste or goods returns by the delivery vehicles on the return leg maximises the efficiency of the vehicles.

Guy's and St Thomas' Hospitals / CEVA Logistics

<p>Scheme description</p>	<p>A business case was established for an off-site consolidation centre which would drastically reduce the number of deliveries arriving at the Trust's central London sites. CEVA Logistics were awarded a five-year contract to manage warehousing and deliveries for the largest hospital inventory system in Europe.</p> <p>Deliveries are pre-sorted at the consolidation centre, enabling important clinical supplies to be distributed more efficiently to different departments upon arrival at the hospital sites.</p> <p>The Dartford facility has been essential in creating supply for the exponential demand for PPE (Personal Protection Equipment) for frontline healthcare workers during the coronavirus pandemic.</p>	 <p>Source: HandyShippingGuide</p>
<p>Benefits</p>	<ul style="list-style-type: none"> • Reduced deliveries on-site by up to 90 per cent, removing congestions and pollution from Central London • Freed up critical space at the hospital, previously used to store equipment and cleaning products • Outer packaging is now removed at the consolidation centre, reducing the volume of waste generated at the hospital sites and therefore the frequency of waste collections 	
<p>Success factors</p>	<ul style="list-style-type: none"> • The hospital trust secured initial financial support from NHS England as part of the research phase. 	
<p>Key barriers</p>	<ul style="list-style-type: none"> • Set-up costs are incredibly high for a new facility, with large investment required to secure a contract with CEVA Logistics for five years. • Reassurance was required in order to change existing processes and convince stakeholders that these changes would not generate operational problems 	
<p>Lessons learnt</p>	<ul style="list-style-type: none"> • Inviting the stakeholders to the proposed consolidation site helped to provide reassurance and a better understanding of how the hub would help to improve the efficiency of the Trust's existing systems 	

Gnewt Cargo, London	
Scheme description	<p>Gnewt (now part of Menzies) operates several micro-consolidation centres in central London, working with parcel delivery companies (e.g. Hermes, TNT) to fulfil their last mile deliveries using electric vans and cargo tricycles.</p> <p>Most of Gnewt’s business is fulfilment of last mile deliveries for parcel couriers to central London businesses and residents. They also consolidate deliveries to Grosvenor Estate’s head office. Gnewt focus on the delivery sector as it is well-suited to micro-consolidation (in comparison to construction, cold food distribution or utilities servicing, for example).</p> <p>The main change between the conventional delivery model and Gnewt’s is reducing the distance travelled by larger diesel vehicles from the suburban depots of the delivery companies to central London. Instead, ‘trunk lorries’ travel to micro-consolidation centres at night, with a preference for larger lorries to increase efficiency, although capacity constraints at current centres restrict the size of lorries.</p>
	 <p>Source: autofutures.tv</p>
Benefits	<ul style="list-style-type: none"> • Reduced overall vehicles miles (e.g. 52 per cent reduction in km/parcel); <ul style="list-style-type: none"> – Reduced empty running distance by 66 per cent – Reduced distance on main roads by 87 per cent – Reduced deliveries on main roads in AM peak by 100 per cent – Reduced number of deliveries to end user: Gnewt consolidate a previous average of 20 deliveries per day to Grosvenor Estates head office to one consolidated delivery per day • Reduced emissions: 81 per cent in local pollutants (i.e. PM, NOx), 88 per cent in CO2; • Overall reduction in business costs, largely achieved through reduced fuel costs: 29 per cent reduction in overall costs compared to the previous delivery set up; and • Small increase in staff time (7 per cent) due to transshipment and night-time deliveries. This did slightly increase staff costs although it is seen as a beneficial employment effect.
Success factors	<ul style="list-style-type: none"> • Sufficient volume of deliveries to enable commercial viability; <ul style="list-style-type: none"> – high general level of demand for deliveries in central London – focus on parcel delivery sector, as best suited to micro-consolidation – development of good relationships with delivery companies and local authorities, to whom green credentials of Gnewt’s operation is a unique selling point • Identified suitable and well-located industrial space in central London; and • Working with one operator (especially in set-up phase) minimises operational complexity.
Key barriers	<ul style="list-style-type: none"> • Technical barriers of electric vehicles (although these are diminishing as EV technology improves); <ul style="list-style-type: none"> – Range limitations – Payload / volume limitations – Public charging infrastructure unreliable – Slow-moving legislation can delay introduction of new EVs • Finding suitable industrial space in central London as the expense of leases increases; and • Logistics systems of delivery companies lacking tracking information to enable consolidation.
Lessons learnt	<p>Gnewt has proved that micro-consolidation centres can be commercially viable in central London. Their focus on the high volume, high density delivery sector is well-suited to the model. Development of good relationships with delivery companies and local authorities has been important; a key factor in achieving these relationships has been Gnewt’s ability to sell a market niche as a zero-emission delivery company.</p>

Cargohopper, Utrecht	
Scheme description	<p>Cargohopper was a dedicated city centre micro-distribution service using zero emission freight vehicles in Utrecht, Netherlands. The service was first introduced in 1996 to carry out last mile deliveries to local businesses, especially restaurants and bars aimed at tourists. The operation used a small electric-powered road train with trailers.</p> <p>Cargohopper ceased operating in 2014 so this case study is as much an assessment of the reasons for failure as well as success.</p>
 <p>Source: ResearchGate</p>	
Benefits	<ul style="list-style-type: none"> • Reduced emissions: 78 per cent reduction in CO2, 56 per cent reduction in PM10, 27 per cent reduction in NOx; • Fewer delivery vehicle trips in Utrecht city centre: 1,020 fewer delivery vehicles trips per year; • Preservation of the character of the historic city centre; • More flexible deliveries which can work around; and <ul style="list-style-type: none"> – delivery window restrictions – weight limits on certain streets • The operator (Hoek transport) gains positive PR of green technology.
Success factors	<ul style="list-style-type: none"> • Commercial operation without reliance on public subsidy (subsidy was provided for technical development of innovative Cargohopper II electric vehicle); • Private operator (Hoek Transport) bought-in and sees the commercial benefit; • Buy-in and regulatory support from local authority; and • Local context / circumstances appropriate for the operation, i.e. narrow, historic streets, many delivery restrictions, demand for catering deliveries and servicing.
Key barriers	<ul style="list-style-type: none"> • A fall in demand / volume of 25 per cent due to a general fall in tourism and delivery demand as a result of the economic crisis; and • The increased running costs of the electric vehicles; Cargohopper vehicles were experimental electric vehicles and so maintenance costs were high. • International examples of urban logistics will naturally fall under different regulations that would need to be understood before assuming compatibility in London.
Lessons learnt	<ul style="list-style-type: none"> • A micro-distribution centre can run successfully and be commercially viable if the operation is appropriate to, and meets the local context / circumstances, i.e. meeting demand from the catering trade and operating within the constraints (and preserving the character) of the historic city centre. • Cargohopper demonstrated a viable micro-distribution model involving an intermediary transshipment centre where goods are transferred to pioneering last mile zero emission vehicles. • The case study of Cargohopper shows, at the same time, that a micro-distribution centre can be commercially viable but that this viability can be put out of balance when the economic climate and consequent demand for the service changes.

Distripolis, Paris	
Scheme description	<p>Distripolis is a micro-distribution operation in Paris, France. It is run by Geodis, who are one of the largest logistics suppliers in France. Goods are consolidated in two stages: first, in a large facility on the outskirts of the city; second, in several smaller centres in the city; before last mile deliveries are carried out by low or zero emission vehicles, e.g. battery electric vans or cargo bicycles.</p> <p>Distripolis was launched by Geodis in Paris 2011, with a target of growing to eight micro-distribution centres by 2015. The operation struggled to develop; Geodis had only secured two suitable premises in central Paris by 2013. It is unclear whether the operation continues.</p>
 <p>Source: BestFact.net</p>	
Benefits	<ul style="list-style-type: none"> • Reduced air pollution: 1,000 tonnes of CO2 saved per year; • Reduced congestion through reduced vehicle miles: 20 per cent reduction; • Improved road safety; and • Makes central Paris more attractive and pleasant.
Key barriers	<ul style="list-style-type: none"> • Finding suitable industrial space for the micro-distribution centres in central Paris has been the main barrier, as this has limited the growth of the operation. The target of eight micro-distribution centres by 2015 was not achieved. • International examples of urban logistics will naturally fall under different regulations that would need to be understood before assuming compatibility in London.
Lessons learnt	<ul style="list-style-type: none"> • It appears, from the limited information available on Distripolis, that the operation has ceased because it didn't grow at the anticipated rate to be commercially viable. • Identifying appropriate industrial space appears to be the vital limiting factor in Distripolis' lack of growth and success.

Summary

- 3.47 By reviewing the above case studies, this study has identified common factors contributing to success and particular barriers to establishing and operating urban logistics hubs. These can be summarised as follows:

Success factors for urban logistics hubs:		Barriers to successful urban logistics hubs:	
✓	Achieving a viable volume of deliveries	✗	Finding suitable space in the right location
✓	Suitable local policy and regulatory context	✗	Limitations of low emission vehicles
✓	Appropriate type of end user	✗	High cost of land and/or leases in London
✓	Understanding the motivation for end users		
✓	Provision of public funding/support		
✓	Professionalism of the operator		
✓	Promotion/marketing of the facility		

- 3.48 These success factors and barriers have been considered across the potential sites identified by the six participating local authorities and used to inform assessment and ranking according to site suitability and feasibility.
- 3.49 Through undertaking this study, the difficulty of finding suitable sites was experienced by the project team at Steer. Generally speaking, operators are looking for opportunities to work from new sites in central London, but it is difficult to find them. Central London’s geography and policy framework is complex and in most boroughs there is no single point of contact. From a local authority perspective, awareness of the issues can be mixed, it can be difficult to find out internally what sites in the borough might be available and operators can be vague in setting out their requirements, which makes it difficult to know what to look for. Similarly, BIDs can find it difficult to establish whether land is available, or what to look for.
- 3.50 The case is clear that logistics hubs can help to encourage cleaner, safer and more efficient freight in central London. The above case studies demonstrate that such hubs can be commercially viable in the right context, but the lack of available land and high costs in central London has so far proven to be a significant barrier. However, micro logistics operations can take advantage of small spaces in existing premises or new developments, which may present the biggest opportunity for urban logistics within central London.
- 3.51 With appetite from both sides though, enabling better communication between landowners (in the public and private sectors) and operators could be the key to success.

4 Engagement with operators

Context

- 4.1 Steer has engaged with a variety of operators, ranging from smaller firms focussed primarily in central London, to large companies with multinational supply chains. The wide range of operations represented across participants offered key insights into the current market and requirements at varying scales.
- 4.2 This chapter is informed by a series of interviews conducted with eight different operators. Each was led through a structured conversation that included a set of pre-determined questions (Appendix D), which aimed to draw out views on operating in central London and what is needed to encourage more sustainable urban logistics solutions going forward.

Overview of insights

- 4.3 A range of key issues were identified by operators, some of which applied to all operators and others that applied only to some. Table 4.1 below sets out these issues and indicates which type of operator they relate to (as described below).

Table 4.1: Overview of key operator insights, by type

Key operator issues	Operator type		
	Small (last mile distribution)	Medium (general logistics)	Large (nationwide operator)
Difficulty finding available and suitable sites	✓	✓	✓
Concerned with high prices in central London	✓	✓	✓
Looking to open new logistics hubs	✓	✓	✓
Access to major roads is a top priority	✓	✓	✓
Require a minimum of 2m-4m access height	✓	✓	✓
Do not store goods overnight	✓	✓	✓
Willing to co-locate with other operators	✓	✓	✓
Would like public sector assistance	✓	✓	✓
Activity primarily focused in the AM peak	✓	✓	✓
Increased demand due to Covid-19	✓	✓	✓
Require access by vans and 3.5 tonne HGVs	✓	✓	✓
Require access by 7.5-12 tonne HGVs		✓	✓
E-bike use is driving current need for EVCPs	✓		
Use mostly cargo bikes and small vans	✓		
Use mixture of electric vans and cargo bikes		✓	✓
Ideal minimum floor space of 185m ² (2,000ft ²)	✓		
Ideal minimum floor space of 465m ² (5,000ft ²)		✓	✓

Engagement

Interview questions

4.4 A full list of interview question is provided in Appendix D. These were structured according to the following categories:

- Overview of operators
- Site characteristics
- Specific operational requirements
- Financial considerations
- Commercial considerations

Participants

4.5 15 operators were contacted and eight agreed to interview with Steer. Table 4.2 below details the companies and job titles of those who participated, as well as the main location of operations.

4.6 Interviews were around 30mins in length and conducted using Microsoft Teams. Each of the interviewees engaged positively and openly and were keen to provide input to the study. Important reasons for this appear to be potential commercial opportunities for doing so, but also to highlight the need for understanding and collaboration across the public and private sector in order to set up more urban logistics locations in central London.

Table 4.2: List of interview participants

Operator	Role of Interviewee	Main location of operations	Operator type
DPD	Director of Infrastructure and Sustainability	International	Large (nationwide operator)
UPS	Public Affairs	International	Large (nationwide operator)
Zedify	Co-founder	UK, various locations	Small (last mile distribution)
Gophr	General Manager	UK, various locations	Small (last mile distribution)
Ecofleet	CEO	London	Small (last mile distribution)
Mango Logistics	Business Development Manager and Managing Director	London	Medium (general logistics)
CEVA Logistics	Head of Business Development and Head of Sustainable Logistics	International	Medium (general logistics)
Clipper Logistics	Commercial Manager	Europe, Headquarters in Leeds	Medium (general logistics)

Key insights

Sectors

- 4.7 While each company sits across deliveries and logistics, operations vary significantly in nature and scale. In many cases operators mentioned specific clients, though in order to protect sensitive commercial information these are not discussed below.
- 4.8 The range of operators included:
- **Small (last mile distribution):** Ecofleet provide sustainable last-mile deliveries through the sole use of cargo bikes. This is similar to Zedify, who focus on consolidated last-mile deliveries by cycle couriers and cargo bikes from micro-logistics hubs in Central London. Gophr focuses on first and last mile deliveries of most small to medium sized goods (retail, medical, food, documents etc.), generally picking up from warehouses outside of London (e.g. Grays, Essex) but also offering parcel pick-ups from click-and-collect locations.
 - **Medium (general logistics):** Mango Logistics originally launched as a same-day delivery company but now also offers storage options; delivering any goods that can be safely stored in a warehouse. It currently does not utilise cargo bikes but is investigating their use in light of ULEZ and LEZ expansion plans. CEVA Logistics is an end-to-end supply chain operator that also has no particular focus on any type of delivered good in central London, but as a result of its current clients, it largely delivers non-medical hospital goods, as well as more generalised goods for key clients. Clipper Logistics operation currently revolves around the retail supply chain; focusing on major retail centres and corridors in central London. It runs vehicles into central London containing non-perishable, non-hazardous goods that have a quick stock turnover.
 - **Large (nationwide operator):** UPS and DPD are both well-known operators in the market and deliver vast amounts of parcels and goods across the country and within central London. Both offer various delivery and pick-up options to both commercial businesses and customers.

Operator requirements

Generic requirements across all operators

- 4.9 Most requirements were generic across operators. These insights include:
- **Finding sites in central London is difficult**, even with some operators employing property companies for this purpose. It is regarded that minimal assistance from local boroughs and landowners, or not knowing who to contact, is a key barrier to finding sites.
 - **Prices in central London are at a premium that most are unwilling or unable to afford;** especially when available sites are often compromised on space and/or access. Many operators expressed frustration that potential sites for logistics hubs are left vacant and unused due to the unreasonable prices being demanded for them.
 - **All interviewed operators are looking to expand.** However, most find it difficult to find sites that are suitable and affordable.
 - **Each operator has its own site requirements**, depending on the type of operation and needs of its clients.
 - **Finding new sites is important** and expansion ambitions were often focused on new areas in London to expand operational reach.
 - **Use of spaces such as railway arches and underground car parks were seen as potentially favourable locations.** However, these types of spaces are often unable to

meet operational requirements, particularly in relation to limited head height and lack of flexibility to expand operations if required.

- **Proximity and access to major roads, as well as local traffic patterns, is seen as integral to ensuring commercial success.** The ability of staff members to be able to access the hubs is also very important, which in central London is generally by cycle, rail or London Underground. Having assets on either side of the River Thames was also mentioned by Mango Logistics, who suggested that bridges often act as pinch-points.
- **Between 2-4 metres is a minimum access height requirement for all operators.** Even smaller operations require access by van or 3.5 tonne HGV to offload goods. Anything under three metres is likely to require special arrangements for getting goods into the site.
- **Heights within the facility also matter for operations and storage** (and therefore floor space efficiency). For example, UPS stated that the minimum height in the ‘operational area’ may need to be higher than that needed for access, so that goods can be stacked to make efficient use of space.
- **Height restrictions on car parks mean that these are often not the most ideal spaces for logistics operations,** especially those underground which can be less or around two metres.
- **Almost all operators do not store goods overnight,** with most operating same day turnover of stock, including perishable and non-perishable goods. Only DPD mentioned that a very small proportion of parcels are kept on site overnight. For some operators this is due to the nature of goods being stored, where freshness is a key consideration. However, a universal strategy employed by all is to minimise storage costs by ensuring stocks are never kept longer than they need to be. Client considerations are a key driver of this behaviour, though day in / day out operations are cost efficient. DPD even has one car park site outside of London that is only used in the morning, before it is handed back to the car park for the afternoon. This temporary space arrangement allows both the operator and landowner to benefit and provides a model that could potentially be replicated in car parks and underused or time-restricted off-street loading bays.
- **The needs of clients are paramount in determining when logistics hubs are open and staffed.** Overall, the trend appears to be that activity is focused on the morning peak, with drivers leaving the depot in the morning and only returning in the afternoon to return goods or vehicles.
- **There is a varied requirement for electric charging points across different operators.** Four of the companies interviewed stated that they require charging points for electric vehicles. Three of these four companies primarily utilise electric cargo bikes, in addition to some larger electric vehicles. These companies use standard charging points and made no mention of a requirement for fast charging. Other companies stated that the high cost of purchase (they can be twice as expensive as their diesel equivalents) and the availability of the required type of vehicle from manufacturers is a key barrier.
- **The awareness of the ethical and policy-based shift towards electric vehicles and increased sustainability was noted by all interviewees.** In some cases, clients have been unwilling to work with operators that do not use electric vehicles, but while this indicates client demand as an incentive, not enough clients had made this demand yet to see this switch as commercially necessary viable (in terms of the trade-off between the expense of purchasing electric vehicles and being able to secure contracts).
- **All operators would appreciate and take up potential funding from local authorities or Transport for London.** While this is to be expected, the reasons provided vary and provide

insight into some of the current barriers to opening new urban logistics hubs. Ecofleet stated that given the eco-friendly credentials of its business, it would appreciate financial incentives from local boroughs to continue operating in this manner, as it helps boroughs to achieve their policy objectives. This viewpoint was echoed across other operators, especially considering the high set-up costs for hubs, lease prices and electric vehicle costs. These costs can make it challenging to set up an operation that is commercially viable to operate according to local restrictions and policy guidance.

- **Lease costs were consistently identified as a key barrier.** Incentives such as rent reductions or rent-free periods were suggested, which might be especially helpful for smaller operators.
- **In most cases, the length of tenancy required correlates with the client contracts in place.** Generally, a new logistics hub would only be set up once an agreement with a client had been agreed, ensuring that the operator would have enough demand to make the new site feasible.
- **Expectations on costs per square metre (or square foot) were varied.** In many cases an exact figure was not put forward and the operators said that the price they would be willing to pay is dependent on the site and potential demand. However, two different urban logistics operators agreed on approximately £15-£20 per square foot (approx. per 0.09m²) and one micro logistics operator a maximum of £15,000 per year (regardless of floor space). This compares favourably with ‘small shed’ space in places like Park Royal and Acton in west London. It was recognised that a central London location will cost more than inner and outer London but operators may be prepared to pay this premium, depending on location and site suitability.
- **Operators are generally willing to co-locate with other operators if necessary.** Key considerations raised by multiple operators are security and access. Zedify, UPS and Gophr all have experience with co-locating.

Specific requirements for small-scale last mile and mostly London-focused operators

4.10 These requirements were outlined by interviewees representing smaller, last mile delivery operators which that primary use cycle freight vehicles or small electric vans. This includes Ecofleet, Zedify and Gophr.

- Ecofleet currently utilises a fleet of 20 cargo bikes for deliveries within Zones 1 and 2 in London. Zedify uses cargo bikes and small vans, with a focus on delivering large volumes of smaller goods like parcels. Gophr operates across the UK, supplying a same-day courier service driven by smart technology and a variety of vehicle types.
- Ecofleet operates from a warehouse in the Nine Elms area currently (Battersea in LB Wandsworth), with this space acting as a location for staff to congregate, for bikes to be stored, and for consolidation of client deliveries. Zedify operates two depots in Hoxton and Waltham Forest, in addition to operating out of a FedEx depot in Bermondsey. Gophr operates through an asset-free model, where it manages a warehouse to be able to collect goods, without owning the building or lease. It currently brings in goods from further afield, but is looking to scale up its operations, including actively looking for warehousing space in London.
- Ecofleet and Zedify require a minimum of around 185m² (2,000ft²)
- For the smaller operators focused on last-mile delivery, vehicle fleets primarily consisted of cargo bikes of varying specifications. Ecofleet utilises ‘trio-bikes’, which are two wheeled bikes that have a large storage box at the front but would like to utilise more trikes should sufficient storage be possible. The Zedify fleet mainly consists of cargo trikes

(approx. 40), as well as a few cargo bikes and an electric vehicle at its Waltham Forest location.

- Companies that focus on last-mile delivery via cargo bikes – such as Ecofleet, Zedify and Gophr – operate during daytime hours; generally starting around 7am and working through to 9pm.
- Smaller operators – including Ecofleet, Zedify and Gophr – are often dynamic companies that are able to quickly pivot to changes in demand from clients and the market, while also being flexible in terms of their location and not reliant on expensive equipment on site to operate. For this reason, it is favourable for them to be able to have shorter term tenancies with higher levels of flexibility.

Specific requirements for medium-scale general logistics companies, with some national and international services

4.11 This category includes Mango Logistics, Clipper Logistics and CEVA Logistics.

- Mango Logistics' operations are primarily focused in London, but with some smaller warehouse locations and operations outside of the Capital. Clipper Logistics has 47 sites across Europe and advertises as the UK's leading logistics provider. It is based in Leeds and offers bespoke services on both a global and local scale. CEVA Logistics offers a near-global service of complete supply chain services, with two operations locations serving central London.
- Mango Logistics operates from a central hub in Rotherhithe, with this location benefitting from both its central location in London and sufficient size that enables it to operate from one site currently. Clipper Logistics runs an operation from Regent Street/St. James's for numerous clients, but most goods are delivered into central London from Harlow and Essex. CEVA Logistics has its consolidation operations split across two sites in Acton and Dartford, with each of these sites having a bespoke set up to its clients' needs.
- Clipper Logistics considered 7.5-12 tonne rigid vehicles to be the most appropriate for its operations. The interviewee commented on the fact that moving to electric vehicles is mostly hampered by the manufacturers at present. Other operators utilising larger vehicles included CEVA logistics whose vehicle fleet is driven by customer requirements. Its Dartford site utilises 20 vehicles that can carry payloads as high as 20 tonnes in weight.
- Companies that focus on same-day delivery – such as Mango Logistics and CEVA Logistics – mostly require 24-hour operation to ensure that deadlines can be met. Clipper Logistics focuses on overnight operations, with staffed hours generally occurring from 11pm and extending through the night and early morning, with vehicles heading back to depot in the early afternoon with returned goods.

Specific requirements for large-scale nationwide operators, with international services

4.12 This category includes UPS and DPD.

- UPS is the world's largest package delivery company, offering global logistics and shipping services. It has excellent sustainability credentials and has been working in partnership with the Cross River Partnership for a number of years to electrify its vehicle fleet. This includes work on the Freight Electric Vehicles in Urban Europe project (FREVIEW), which has now ended, through to the ongoing EV Fleet-Centred Local Energy Systems project (EFLES).
- UPS has multiple hubs located in London, which enables it to operate on a large scale within the Capital. DPD is an international parcel delivery service for sorter-compatible

parcels, delivering in excess of one million parcels per day in the UK. 12.7 per cent of these are within London, with approximately a 40:60 split on business-to-distributor deliveries and business-to-consumer deliveries. Operations are split between DPD (Red), which is used for large business customers, while DPD Local (Blue) has a more local and independent focus.

- UPS owns a large centralised hub in Kentish Town. This site is unique for UPS, as the company usually operates from industrial estates on the outskirts of cities. UPS has tried to find another comparable location but has had no success so far. DPD has a hub in Westminster, from which it delivers 4,000 parcels a day, as well as a hub in Park Lane Car Park (recently secured) and a hub in Shoreditch. It has an ambition to implement a hub in every London borough.
- Preferred space: DPD and Clipper Logistics who would both be looking for around 700m² (7,500ft²) floor space. The height is also important for all operators, in terms of access for large HGVs and storage volume (a minimum access height of 3-4 metres is required).
- DPD would like to use 3.5 tonne electric vehicles, however, the cost of these compared to its diesel counterparts makes it commercially unviable at present. Another consideration is that 3.5 tonne vehicles would not fit into many car park-based logistics hubs.
- DPD prefers to open at 5am to allow for most vehicles to be out on the road by 10am, while UPS adopts a more conventional office hours of operation (8am-6pm), although it has been trialling night-time deliveries in Dublin.
- DPD currently uses small electric vans and generally encourage drivers to take their them home with them. This is because the cost of updating the electricity supply on site would negate commercial viability. However, the Westminster site does provide 20 charging points, which allows staff to use other modes of transport to get to and from work to avoid central London congestion.
- For larger companies, the preference is to have much longer leases (preferably between 5-15 years). This is due to the upfront costs of setting up the site to standard, which is only a viable investment to make over the medium to long term. However, there is some degree of flexibility and it is dependent of the nature and suitability of the site itself.

Impact of Covid-19

Changes experienced

- 4.13 As seen in all nearly all industries across the world, Covid-19 has had a measurable impact on the logistics sector, with both negative (primarily a dip in demand initially and the need to quickly respond to changed market) and positive (primarily continued high demand for home deliveries) effects having been experienced by the operators interviewed.
- 4.14 As a result of Covid-19, the type of goods that Ecofleet delivered changed from mainly legal documents and small consumer goods to food subscription orders. Other operators described significant shift from business-to-business to business-to-consumer deliveries, which includes Zedify, Mango Logistics, DPD, UPS and Gophr.
- 4.15 Operators stated that while the number of deliveries reduced at the start of the first UK lockdown in March 2020, demand has since recovered and remained at levels only seen previously around Black Friday and Christmas peaks. For example, since the initial lockdown DPD has doubled the number of parcels handled each night, opened 10 more depots and employed 6,000 more people to accommodate the increase in demand. CEVA Logistics is now looking to expand its existing operations at the Dartford hub as a direct result of Covid-driven demand increases in e-commerce.
- 4.16 Challenges that the Covid-19 pandemic has raised include the integration of contactless delivery, retraining staff and responding to the large fluctuations in levels of traffic as restrictions vary. However, increased demand has dwarfed such challenges in terms of profitability.

Future outlook

- 4.17 Clipper Logistics neatly summarised that Covid-19 has simply accelerated trends that were already happening, with retail shifting online and retailers having to reimagine how commercial premises are used. The shift towards business-to-consumer deliveries has changed the geography of logistics, with most deliveries now to private residences rather than businesses or to the workplace.
- 4.18 DPD expects its business growth to continue as long as lockdowns or strict social distancing is in place. This is due to the reduced attractiveness of shopping in physical stores, which has led to increased demand for their services as businesses more heavily rely on home deliveries.
- 4.19 In most cases, operator business models have not had to change substantially, rather, the nature of supply and demand has changed from business-to-business (B2B) to business-to-consumer (B2C). Most operators were focused solely on road freight and were not considering using the river or rail networks in their supply chain. However, considering the Mayor's policy objective to re-mode to other networks and support coming TfL, local authorities and other public sector bodies such as the Cross River Partnership to do so, this attitude may shift in the future if attractive opportunities arise.

Summary

4.20 Based on the interviews held with the operators, there are clear barriers that are preventing the development of more logistics hubs within central London, even though there is ambition from operators to expand within the capital. Some of the key findings are summarised below:

Key findings	
1	Operations widely varied in scale from key nodes in national supply chains to parcel pick-ups from local convenience stores.
2	Operators saw an initial drop in business when the national Covid-19 lockdown was implemented but have since reported significant increased and sustained demand – at expected Christmas levels and above – due to more business-to-consumer fulfilment. As part of this, while already a huge market, online shopping’s domination of the retail sector has been accelerated which is likely to have long term implications for all logistics operators, whether good or bad.
3	Operators are all actively looking for new sites and some employ agents to undertake searches on their behalf. However, all have found it difficult to find available sites in central London and some have suggested that better communication with local authorities would help.
4	Operators are primarily concerned with access to the road network and not currently considering access to the river or rail network, though policy direction in London may encourage this in the future.
5	Sites are not used to store goods ; goods are generally brought in overnight or in the early hours and distributed the same day.
6	Local authorities and clients are pushing for use of electric vehicles. However, the incentivisation from these bodies is often not enough to counteract the increased cost of investing in electric vehicles and infrastructure. For larger operators that utilise larger vehicles, the availability, price and efficiency of 3.5 tonne electric counterparts is currently not enough to make them commercially viable on a large scale.
7	Key site considerations: security (of goods while on site or for operational equipment / vehicles), height restrictions and access .
8	Operators are generally happy to co-locate with other operators as long as there is sufficient security on site.
9	For larger operations, leases above five years are preferred to justify investment in the site. Smaller operators prefer shorter leases and do not want to be tied into long leases in case changes in demand change space requirements.
10	Operators would like more financial support from central and local government and transport bodies. Given that local authorities often own sites on which it might be possible to set up urban logistics hubs, they could bridge the financial gap that is slowing the uptake of these hubs by offering reduced lease costs or other incentives to operators that are in most cases promoting sustainable transport and traffic reduction measures.

4.21 Overall, there are more opportunities than ever for new logistics hubs, both on a macro and micro scale, to be successful in central London. Demand is higher than ever, and operators are looking to expand yet easily identifiable barriers to uptake are slowing down the process. Once a refined method of identifying, setting up and operating from these sites is developed, operators, landowners, local authorities and local residents can mutually benefit from the improvements to air quality, carbon reduction, reduced congestion and reduced road danger that such hubs can contribute to.

5 Model site specification

- 5.1 This section sets out a menu of ideal urban logistics hub requirements and recommended specifications to serve such requirements, based on the case study review and interviews with operators.
- 5.2 The recommended specifications are presented on the following pages according to the requirements of logistics hubs (Table 6.1) and micro-logistics hubs (Table 6.2). While many of the requirements are generic, some are unique to the type of hub in question. The main areas of difference are:
- **Space** – logistics hubs require more space than micro-logistics hubs, including both floor space and storage space.
 - **Location** – the additional space requirements of logistics hubs can make it difficult to find sites in central London (due to lack of available space and high costs). This means they may need to be located in inner or outer London.
 - **Access** – the height of access is ideally above 3 metres for both types of operation but may need to be above 4 metres for logistics hubs due to HGV / large LGV use. Alternatively, good loading provision would be required.
 - **Lease / contractual** – longer leases of five year or more are preferred for logistics hubs operators so that they can recoup upfront investment costs, whereas micro-logistics hubs operators prefer shorter leases with higher flexibility to be able to respond to a more changeable market.
- 5.3 While the model specifications provide a best estimate of what operators are looking for from logistics and micro-logistics sites, it is prudent to remember that there is variation in operating models and specific requirements, not only in these specifications but across different operating arms of companies and bespoke to different areas within London in some cases. It should also be noted that operators are often willing to be flexible and consider options that might not meet all requirements.
- 5.4 It is recommended that this specification is used by London boroughs and TfL to inform the requirements on new developments and redevelopment projects to provide logistics space. With the difficulty in finding existing sites, ensuring that new developments can adequately accommodate logistics operations will be key to meeting freight policy objectives across London.

Table 5.1: Model specification for a logistics hub


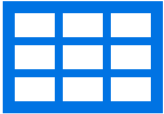



		
Location	Space	Access
<ul style="list-style-type: none"> Needs to be proximate to TLRN to enable efficient vehicle access. Avoid local one-way systems if possible. Needs to be within a feasible distance of client base to enable maximum efficiency where possible. May need to look outside of central London to acquire appropriate amount of space. Close to public transport hubs for staff access. 	<ul style="list-style-type: none"> Floor space of at least 280m² (3,000ft²) but ideally 465-930m² (5,000-10,000ft²) Headroom to be as high as possible to increase volume of storage, especially where floor area is smaller. Industrial warehouses are best suited to this scale of operation, but other spaces can be considered also. If unloading can take place in the open air it might not mean that all the space has to be inside. 	<ul style="list-style-type: none"> Minimum height of 3 metres but >4 could be needed. Standard hours are usually 08:00-18:00 but 24-hour access may be needed. Peak access times will depend on client needs. Vehicles up to 20T in weight may need to access the site depending on the operation in place.
		
Lease/contractual	Security	Other
<ul style="list-style-type: none"> Longer lease period of 5+ years is preferred but is highly dependent on client contracts. Requirement to invest in the facility would drive desire for a longer lease. Break clause preferred if possible. 	<ul style="list-style-type: none"> CCTV system needs to be in place to protect assets, goods and staff. Individual secure spaces are needed if co-locating is to be in place. 	<ul style="list-style-type: none"> Electric vehicle charging points may be needed, depending on the vehicles in use and the nature of operation.

Table 5.2: Model specification for a micro-logistics hub

		
Location	Space	Access
<ul style="list-style-type: none"> Needs to be proximate to TLRN to enable efficient vehicle access. Avoid local one-way systems if possible. Good access to local cycle infrastructure would be beneficial. Needs to be within a feasible distance of client base to enable maximum efficiency where possible, especially with more bicycles being utilised. Focussed within central London. Close to public transport hubs for staff access. 	<ul style="list-style-type: none"> Floor space between 90-185m² (1,000-2,000ft²) is ideal. However, micro-operations are possible with as little as 50m². Headroom to be as high as possible to increase volume of storage, especially where floor area is smaller. Rail arches and unused car parks most suitable, but other spaces can be considered also. If unloading can take place in the open air it might not mean that all the space has to be inside. 	<ul style="list-style-type: none"> Height access requirement typically >3 metres but >2 can be workable, depending on the site. Access likely to be needed over a 14-hour period starting from 06:00. Peak access times will depend on client needs. Vehicles up to 7.5T in weight may need to access the site depending on the operation in place.
		
Lease/contractual	Security	Other
<ul style="list-style-type: none"> Shorter leases with high levels of flexibility are preferred. Break clause preferred if possible. 	<ul style="list-style-type: none"> CCTV system needs to be in place to protect assets, goods and staff. Individual secure spaces are needed if co-locating is to be in place. 	<ul style="list-style-type: none"> Electric vehicle charging points may be needed, depending on the vehicles in use and nature of operation.

6 Site identification

Introduction

- 6.1 This chapter sets out the process followed to identify potential sites across London, as well as the sites identified by local stakeholder during the course of this study, their assessment and ranking.

Site identification

Engagement materials

Site information template

- 6.2 Steer developed a spreadsheet-based template to capture information on potential sites, which was then to be used to assess and rank them. The template was set up to be distributed to local authorities, landowners, businesses and Business Improvement Districts (BIDs), and looked to capture the following information for each site:

- **Site information:** local authority, site name, address, description, site ownership and existing lease terms.
- **Physical:** floor space, storage space, access space, power supply and on-site services and facilities available.
- **Managerial:** access to the site, access to the Transport for London Road Network (TLRN), access to wharves and piers on the River Thames, access to the mainline rail network, loading bays, suitability for 24-hour operation, employee access ease and safety, security, versatility of the space, site availability and known planning constraints.
- **Financial:** cost per square metre, number of displaced car parking spaces, cost of displaced parking revenue, revenue cost estimate, other costs and any income generated.
- **Commercial:** local demand for services and suitability for different operator types, including mail / parcel couriers, servicing / utilities, catering / food supply, large retail / supermarkets and construction.
- **Anticipated risks:** up to three key risks associated with using the site for urban logistics.

- 6.3 A sample of the template is provided in Appendix A.

Information guide for respondents

- 6.4 A site information guide was produced to help respondents of the template understand: the reason for the project, what was being requested of them, the type of sites that were being sought, guidance for completing the template and next steps. The guide was distributed along with the template and done so with the aim of encouraging a higher response rate.
- 6.5 A copy of the site information guide is provided in Appendix B.

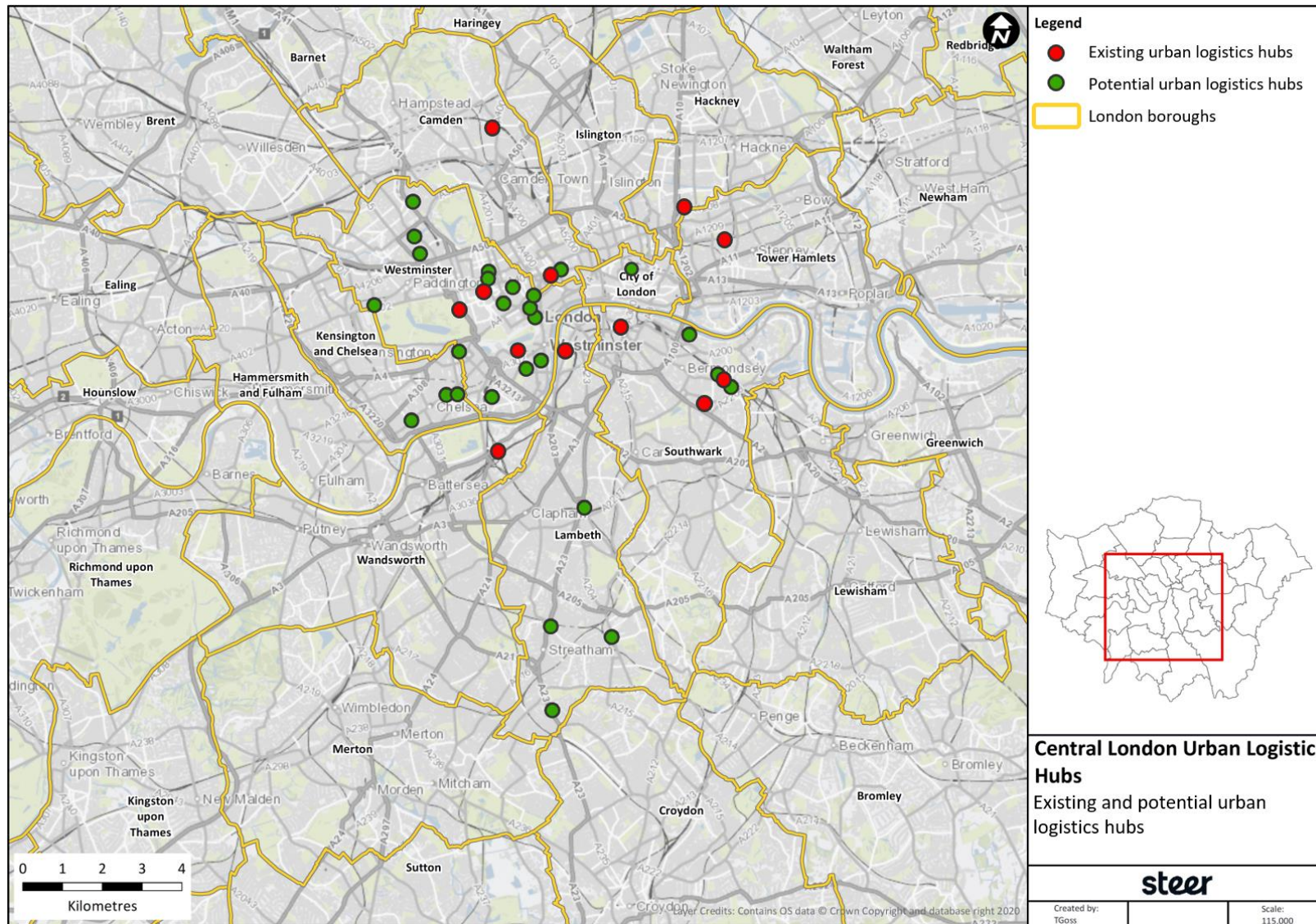
Identified sites

- 6.6 The template and site information guide were distributed to participating local authorities, central London landowners, businesses and BIDs. A total of 29 sites were put forward as having the potential to host urban logistics operations in central London (see Table 6.1).
- 6.7 Use of the template was encouraged but information returned was mostly limited to a site name and address only. This reflects the fact that it can be difficult for borough contacts to track down site information. As a result, the missing information was completed by the project team to the best of its ability, with the level of detail available suitable for high level assessment and ranking only. The template should act as a useful list of considerations for further sites and the additional details needed to be able to bring forward sites for delivery.
- 6.8 The returned sites reflected a mixture of types and spanned six local authority areas. Most were car parks (26) though the list includes a railway arch, an industrial estate, garages and a basement. Most were located in Westminster (15) though others were suggested in Lambeth (4), Kensington & Chelsea (4), Southwark (3), City of London (3) and one in Camden. 16 were provided by Q-Park (who manage off street car parks on behalf of Westminster City Council).

Table 6.1: List of potential sites put forward for assessment and ranking

Local	Site name	Site type	Post code	Information source
Camden	110 High Holborn	Car park	WC1V 6EU	Bee Midtown
City of London	Middlesex Street Estate Car	Car park	E1 7BS	City of London
City of London	London Wall Car Park	Car park	EC2V 5DY	City of London
City of London	Barbican Trading Estate Access	Car park	EC2Y 8BY	City of London
Lambeth	Canterbury Crescent Car Park	Car park	SW9 7QD	LB Lambeth
Lambeth	Waylett Place Car Park	Car park	SE27 9AE	LB Lambeth
Lambeth	Leigham Court Road Car Park	Car park	SW16 2PG	LB Lambeth
Lambeth	Ryan Court Car Parking	Car park	SW16 3PJ	LB Lambeth
Southwark	Blue Anchor Lane Railway	Railway arch	SE16 3UL	Blue Bermondsey
Southwark	Galleywall Trading Estate	Industrial estate	SE16 3PE	Blue Bermondsey
Southwark	Tower Bridge Q-Park	Car park	SE1 2NE	Q-Park
RBKC	Knightsbridge Q-Park	Car park	SW1X 8EA	Q-Park
RBKC	Cavalry Square Garages	Garages	SW3 4RB	Cadogan Estates
RBKC	37 Kings Road	Basement	SW3 4NB	Cadogan Estates
RBKC	Argyll Mansions	Car park	SW3 5EP	Cadogan Estates
Westminster	Lisson Grove	Car park	NW8 8LF	Westminster City Council
Westminster	Burlington Street Q-Park	Car park	W1S 3AF	Q-Park
Westminster	Chinatown Q-Park	Car park	WC2H 7PR	Q-Park
Westminster	Church Street Q-Park	Car park	NW8 8BG	Q-Park
Westminster	Harley Street Q-Park	Car park	W1G 9HF	Q-Park
Westminster	Leicester Square Q-Park	Car park	WC2H 7DT	Q-Park
Westminster	Marble Arch/Park Lane Q-Park	Car park	W1K 7AN	Q-Park
Westminster	Oxford Street Q-Park	Car park	W1G 0PN	Q-Park
Westminster	Pimlico Q-Park	Car park	SW1V 4LR	Q-Park
Westminster	Queensway Q-Park	Car park	W2 4QJ	Q-Park
Westminster	Soho Q-Park	Car park	W1F 7NQ	Q-Park
Westminster	St Johns Wood Q-Park	Car park	NW8 6AA	Q-Park
Westminster	Trafalgar Q-Park	Car park	SW1A 2TS	Q-Park / Crown Estate
Westminster	Victoria Q-Park	Car park	SW1P 2TX	Q-Park
Westminster	Westminster Q-Park	Car park	SW1P 3RX	Q-Park

Figure 6.1: Existing urban logistics hubs and identified sites for potential future sites for urban logistics hubs in central London



Ranked sites

- 6.9 A detailed account of site assessment and ranking process is provided in Appendix E.
- 6.10 Potential sites were assessed against quality the following categories:
- Physical suitability (for a logistics hub)
 - Physical suitability (for a micro-logistics hub)
 - Height restriction
 - Strategic access to site
 - Local access routes to site
 - Managerial
 - Financial
- 6.11 Subsidiary criteria assessed under each category and considered together to reach an overall judgement for each category. Site were then ranked according to this assessment.
- 6.12 A full list of ranked sites is provided in Table 6.2 on the following page. Many of the highest ranked sites are car parks owned by Q-Park, which are primarily located in Westminster. While most of these appear to have space for a logistics hub and have been assessed as 'Good' or 'Acceptable' across most criteria, access height restrictions are likely to be a barrier for larger operations in particular. Cars parks have also been put forward in the City of London, Kensington & Chelsea, Lambeth and Southwark. There are other types of site that appear to be suitable – including a top ranked industrial unit in Southwark, railway arches in Southwark and underused garages in Kensington & Chelsea.
- 6.13 It should be noted that these sites represent those identified within a short space in time for this study and that more are likely to come forward as work continues. This includes further sites that are expected to be available in Wandsworth as part of the Nine Elms development and ones identified in Southwark through its recent Workplace Parking Study. There is also ongoing work to consider. The City of London is at an advanced stage in introducing new logistics hubs and Transport for London is assessing its estate for more opportunities to introduce logistics hubs, beyond the site it has leased to DPD close to St. James's Park Underground Station.
- 6.14 Appendix C provides more detail on 11 of the most promising sites. This sample has been selected to show variety across the type of site, different London boroughs and potential types of operation; rather than simply choosing the top ten from the list. These sites are:
1. Galleywall Trading Estate, LB Southwark – industrial unit
 2. Westminster Q-Park, Westminster – underground car park
 3. Marble Arch/Park Lane Q-Park, Westminster – underground car park
 4. St. John's Wood Q-Park, Westminster – underground car park
 5. 37 Kings Road, Kensington and Chelsea – underground car park and servicing area
 6. Cavalry Square Gardens, Kensington and Chelsea – underused garages
 7. Ryan Court Car Parking, LB Lambeth – underused garages
 8. Tower Bridge Q-Park, LB Southwark – multi-storey car park
 9. Blue Anchor Lane Railway Arches, LB Southwark – railway arches
 10. Canterbury Crescent Car Park, LB Lambeth – surface car park
 11. London **Wall Car Park**, City of London – underground car park

Table 6.2: List of ranked potential urban logistics sites

Rank	Local Authority	Site name	Site Type	Physical suitability (logistics hub)	Physical suitability (micro-logistics hub)	Height Restriction	Strategic access to site	Local access to site	Managerial	Commentary
1	Southwark	Galleywall Trading Estate	Industrial unit	Good	Good	Good	Good	Good	Good	Large industrial unit, close to A Road and within trading estate away from residential development. Height restriction unknown however appears to be suitable for large vehicles
2	Westminster	Westminster Q-Park	Underground car park	Good	Good	2.13m	Good	Good	Good	Q-Park Site. 183 car parking spaces. Good access to A Roads and local roads appears good. Good height clearance. Ramp on entry / exit will need to be checked. Given proximity to Houses of Parliament - issue with storage / security.
3	Westminster	Marble Arch / Park Lane Q-Park	Underground car park	Good	Good	2.08m	Good	Good	Good	Q-Park Site. Understand from conversations that DPD recently signed lease on site, highlights strength of the site.
4	Westminster	St Johns Wood Q-Park	Underground car park	Good	Good	2.00m	Good	Good	Good	Storage company already in place on the site. Direct access to A roads, local roads appear good. Surrounded by residential streets but likely to be high number of users also.
5	Westminster	Oxford Street (Cavendish Sq) Q-Park	Underground car park	Good	Good	1.95m	Good	Good	Good	Q-Park Site. Storage Company already in place. Highlighted that the site is possibly only has short term availability of circa 12 months. Height restriction may not be sufficient for larger vehicles.
6	Westminster	Queensway Q-Park	Underground car park	Good	Good	1.98m	Good	Good	Good	Q-Park Site. Very close and good connections to 'A' Road. Height restriction may not be sufficient for larger vehicles.
7	Westminster	Trafalgar Q-Park	Underground car park	Good	Good	1.95m	Good	Good	Good	Q-Park Site. Very central location, close to Charing Cross and access to A Roads. Not overly residential development nearby so more suited to 24h use. Number of landmarks / embassies nearby may help with security. Height restriction may not be sufficient for larger vehicles.
8	City of London	Middlesex Street Estate Car Park	Underground car park	Good	Good	6.00m	Good	Acceptable	Good	Good access to A1202 and A10. Constrained access via routes surrounding site. Versatile space. Potential for disruption to residents. HGVs already access the car park.
9	City of London	London Wall Car Park	Underground car park	Acceptable	Good	2.08m	Good	Good	Good	Facility has height restriction of 2.1m with tight turning radii on entrance and exit ramps. Large vehicles would need to unload outside of facility and goods brought in otherwise. There is a 12m loading bay opposite the London Wall entrance.
10	Westminster	Burlington Street Q-Park	Underground car park	Good	Good	2.08m	Acceptable	Good	Good	Q-Park Site. Generous height clearance and good local roads, however access restriction prevent speed of access to TLRN.
11	Westminster	Leicester Square Q-Park	Underground car park	Acceptable	Good	1.83m	Good	Good	Good	Q-Park Site. Lower height clearance will restrict its usage for larger operations or vehicles. Medium/longer term redevelopment options.

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Rank	Local Authority	Site name	Site Type	Physical suitability (logistics hub)	Physical suitability (micro-logistics hub)	Height Restriction	Strategic access to site	Local access to site	Managerial	Commentary
12	City of London	Barbican Trading Estate Access	Underground car park	Good	Good	5.60m	Acceptable	Acceptable	Good	Site is close to A1 but access is limited to left turning in to and out of the site and there is a TfL Quietway cycle route crossing the entrance. High clearance throughout site permits HGV access.
13	Westminster	Church Street Q-Park	Underground car park	Acceptable	Good	1.98m	Acceptable	Good	Good	Q-Park Site. Underground car park option, with only gentle ramp. Poorer access to TRLN etc and nearby residential uses explains lower vehicle fleet score. Lower height clearance will restrict its usage for larger operations or vehicles.
14	RBKC	37 Kings Road	Underground car park and servicing area	Acceptable	Good	1.95m	Good	Good	Acceptable	Basement / service area currently unoccupied, access via ramp at rear. Ramped access into car park but only single door into unit, which may prevent larger loads to be used. Good proximity to residential end users.
15	RBKC	Cavalry Square Garages	Underused garages	Acceptable	Good	Unknown	Good	Good	Acceptable	Built up residential area, large vehicle fleet may not be suitable. Given 'garage' option, fleet of bikes operating from the site more viable.
16	Westminster	Lisson Gove	Underground car park	Poor	Good	Unknown	Good	Good	Poor	Mixed WCC administrative site with some public-facing services. Car park shared with Veolia who have lease on area and oppose sharing the space with another use. Practical issues included lack of power and poor staff facilities.
17	Westminster	Victoria Q-Park	Underground car park	Acceptable	Good	2.10m	Poor	Good	Good	Q-Park Site. Storage Company already in place. No direct or close links to A Roads and surrounded by residential development. Although the site has good height clearance.
18	Westminster	Pimlico Q-Park	Underground car park	Acceptable	Good	1.90m	Poor	Good	Good	Q-Park Site. Storage Company already in place. No easy access to A Roads, although local roads are wide albeit with residential surrounding. Height clearance may be an issue for larger vehicles.
19	Lambeth	Ryan Court Car Parking	Underused garages	Acceptable	Acceptable	Unknown	Good	Good	Acceptable	The garaged spaces underneath the block of flats, may not support 24h operation, although access to A Roads is good. Space appears limited for large operation
20	Westminster	Soho Q-Park	Underground car park	Acceptable	Good	1.98m	Acceptable	Acceptable	Good	Q-Park Site. 162 car parking spaces. Access restrictions slow journey to 'A' Roads. Local roads are narrow and may not be suitable for larger vehicles or lots of movements
21	Southwark	Tower Bridge Q-Park	Multi-storey car park	Acceptable	Good	1.95m	Acceptable	Acceptable	Good	Q-Park Site. Access roads are narrow and do not offer direct connection to A roads. Limited footprint and multi-storey so may not be able to operate from ground floor.
22	Southwark	Blue Anchor Lane Railway arches	Railway Arches	Poor	Good	Unknown	Good	Acceptable	Acceptable	Disused railway arches. Site appears to have direct access to A Road. Possible provision of on-street loading bay, however appears no room for bringing a vehicle into the site, precluding use for larger operation.

Rank	Local Authority	Site name	Site Type	Physical suitability (logistics hub)	Physical suitability (micro-logistics hub)	Height Restriction	Strategic access to site	Local access to site	Managerial	Commentary
23	RBKC	Argyll Mansions	Surface car parking	Poor	Acceptable	Unknown	Good	Good	Acceptable	Outdoor car park spaces, close to A roads. Unsure of exact access point, which would be constrained. Open air car park may reduce security.
24	Lambeth	Canterbury Crescent Car Park	Surface car parking	Poor	Acceptable	Good	Good	Acceptable	Acceptable	Council owned car park with good access to A Road. Open air car park would not help security of the site. Adjacent to residential development not suitable for 24h operation although access to site is okay.
25	Lambeth	Waylett Place Car Park	Surface car parking	Poor	Acceptable	Unknown	Good	Poor	Acceptable	Council owned car park (Rear of 336/346 Norwood Road). Access appears constrained for larger vehicles. Direct access to A Road. Open air car park would not help security of the site
26	Lambeth	Leigham Court Road Car Park	Surface car parking	Poor	Acceptable	Unknown	Good	Poor	Acceptable	Council owned car park (Car Park Adjacent 39). Site appears difficult to access for any vehicles. This may make deliveries for cycle logistics difficult also. Directly onto A Road.
27	Westminster	Chinatown Q-Park	Underground car park	Poor	Acceptable	1.98m	Acceptable	Acceptable	Acceptable	Q-Park Site. Storage company using site. Popular highly used shared pedestrian space directly around site entrance not conducive to any vehicle movements in and out.
28	Westminster	Harley Street Q-Park	Underground car park	Poor	Acceptable	1.85m	Poor	Acceptable	Acceptable	Q-Park Site. Storage company using site. Lower height clearance and steepness of ramp may prevent larger vehicles and cycle access
29	RBKC	Knightsbridge Q-Park	Underground car park	Poor	Poor	1.83m	Acceptable	Poor	Acceptable	Q-Park Site. Storage company using site. Lower height clearance and steepness of ramp may prevent larger vehicles and cycle access

7 Next steps

Introduction

- 7.1 This chapter sets out the key 'next steps' for urban logistics hubs in central London that have emerged from the findings of the study.

Action plan

- 7.2 The action plan shown on the following pages in Table 7.1 presents the recommended next steps for CRP and other stakeholders in order to take forward urban logistics hubs in central London. Each of the next steps identified is designed to respond to one or more of the success factors or barriers identified through the course of the study.

Table 7.1: Action plan

Action		Objectives	Who	Timescale		
				0-3 months	3-6 months	6-12 months
1	Working with boroughs, landowners, BIDs and operators, identify the next steps required in order to bring the highest ranked sites into operation as urban logistics hubs.	<ul style="list-style-type: none"> To deliver new capacity for industry and logistics in the CAZ. To further demonstrate ‘proof of concept’ for urban logistics hubs. To develop landowner-operator relationships. 	CRP, boroughs, landowners, BIDs and operators			
2	Maintain a centralised list of sites which could be suitable for use as urban logistics hubs.	<ul style="list-style-type: none"> To have a list of ‘oven-ready’ sites to assist operators with setting up urban logistics hubs in central London. To reduce the length of time that it takes for new urban logistics hubs to be implemented. 	CRP, boroughs, landowners, BIDs			
3	Develop a process for identifying more sites in the future/on an ongoing basis.	<ul style="list-style-type: none"> To have a list of ‘oven-ready’ sites to assist operators with setting up urban logistics hubs in central London. To reduce the length of time that it takes for new urban logistics hubs to be implemented. To provide assistance to boroughs with implementing Policy SD4 from the New London Plan in terms of the requirement to identify and protect capacity for industry and logistics. 	CRP, boroughs, TfL, GLA and operators			
	(a) CRP to work with individual boroughs to provide guidance (specific to that borough) on how sites can be identified.					
	(b) CRP to work with TfL to develop a process for working together on suitable sites in the future.					
	(c) CRP to work with GLA to develop guidance on how Policy SD4 in the New London Plan can be practically implemented by boroughs (i.e. how boroughs should identify and protect “sufficient capacity for industry and logistics” in the CAZ).					
4	Working with boroughs, landowners, BIDs and operators, continue to seek seed/pilot funding to support smaller/micro operators with the set-up of new urban logistics hubs. This might include new click-and-collect facilities.	<ul style="list-style-type: none"> To support smaller operators with the substantial costs of setting-up in central London. To support the trial of new and innovative models/practices. 	CRP, boroughs, landowners, BIDs and operators			

Appendices

A Site template

Central London Urban Logistics Hubs Potential logistics hub site information



Please complete as many fields in this column as you can. If you think that another department / person has the necessary information, please note it down. Answers should be provided by either selecting from the drop down boxes provided or by typing the required information

Please provide any further useful information and/or rationale for scoring in this column

Section	Criteria	Value	Please provide any further useful info
Site information	Local Authority or other organisation name	[Please Select]	
	Site name	[Site name]	
	Post Code	[Post Code]	
	Street address	[Full street address]	
	GPS coordinates (if known)	[GPS coordinates, easting/northing etc.]	
	Description of site / asset (inc. type of space, current use, indoors/outdoors, current 'finish', vacancy, division of space, single or multiple levels)	[Site description]	
	Site ownership	[Name of owner]	
	Existing lease agreement terms	[Details of lease]	
Physical	Max. vehicle size	[Length x Height (m)]	
	Floor space	[m ²]	
	Storage space available	[m ³]	
	Person / employee access: Number of vehicles parked	[#]	
	Person / employee access: Number of vehicles loading	[#]	
	Services / facilities available (e.g. staff toilets, showers, wifi)	[Details of services / facilities available]	
	Power supply / facility to charge electric vehicles	[Details of power supply / facilities available]	
Managerial	Ease of adaptation (few/easy adaptations = good)	[Please Select]	
	Access restrictions to site (few restrictions/easy access = good)	[Please Select]	
	Proximity to TLRN / A roads	[Please Select]	
	Proximity to the River Thames / wharves / piers	[Please Select]	
	Proximity to the rail network / mainline stations	[Please Select]	
	Local access routes into facility	[Please Select]	
	Internal access routes in facility	[Please Select]	
	Loading facility / bay	[Please Select]	
	Suitability for 24-hour operation (e.g. noise in residential areas)	[Please Select]	
	Person / employee access: Ease / safety	[Please Select]	
	Health & safety provisions / considerations, e.g. fire escape	[Please Select]	
	Security	[Please Select]	
	Versatility of option (i.e. space to grow or contract, scope for space's use/lease)	[Please Select]	
	Site availability	[Please Select]	
Planning constraints / risks (i.e. restrictions on temporary structures, listed building constraints, building use constraints)	[Please Select]		
Financial	Cost per square metre of space	[£]	
	Cost of displaced car parking revenue (estimated revenue from repurposed car parking spaces)	[£]	
	Number of displaced car parking spaces	[# of car parking spaces]	
	Revenue cost estimate (lease)	[£]	
	Other costs	[£]	
	Any income generated	[£]	
Commercial	Local context: nearby volume of end users, e.g. last mile delivery, utilities services	[Please Select]	
	Suitability for: Mail / parcel couriers	[Please Select]	
	Suitability for: Servicing / utilities	[Please Select]	
	Suitability for: Catering / food supply	[Please Select]	
	Suitability for: Large retail / supermarkets	[Please Select]	
	Suitability for: Construction	[Please Select]	
Anticipated risks	Key risk 1	[1]	
	Key risk 2	[2]	
	Key risk 3	[3]	

B Site information guide

New urban logistics hubs in central London

We need your help to identify potential sites for urban logistics hubs in central London. Please read this background information and complete the accompanying information template to help the Cross River Partnership and its local authority partners introduce cleaner and more efficient freight solutions.

We need to tackle congestion and air pollution from freight activity in central London

The Mayor of London has identified the need for urgent action to tackle illegal levels of air pollution in the Capital. Freight and servicing vehicles account for 33 per cent of road based nitrogen dioxide and 29 per cent of PM_{2.5} emissions in London. The use of vans is also increasing (by 54 per cent since 1993), which is adding to congestion. To tackle these problems, we need to reduce vehicle kilometres driven by improving efficiency, while switching the remaining trips to cleaner vehicles, such as electric vans and cargo bikes.

The COVID-19 outbreak has presented an important and timely opportunity to change the ‘business as usual’ model and we need to act quickly.

What is our plan?

Steer has been appointed by the Cross River Partnership (CRP) to support the Central London Sub Regional Transport Partnership and its local authority partners in Westminster, Camden, City of London, Southwark, Lambeth and Wandsworth to explore the feasibility for new urban logistics hubs across central London.

We need your help to identify potential sites across central London, which you can provide by filling in the accompanying spreadsheet.

What kind of sites are we looking for?

There is no ‘one size fits all’ site, as operations can vary in nature and scale. For example, under-utilised car parks or B8 use land may be particularly appropriate in central London, but other sites and vacant land may also be suitable. Common beneficial characteristics include:

- **An inner city location:** finding space in central locations is the biggest challenge, which is why we are asking for your help. It can be done though. For example, Gnewt Cargo delivers 4,000 ASOS packages a day using zero emission vehicles from a facility in Bow, as well as operating from other locations such as the Grosvenor Head Office in Mayfair.
- **A suitably sized site:** Successful sites can vary in size. DPD operates three micro-depots within London – including St James’s Park in Westminster – to provide last mile deliveries, ranging from 325m² to 800m². DPD is now looking to expand to a further five sites of a similar size. Several examples also show micro distribution at sites smaller than 250m².
- **Accessibility and flexibility:** Accessibility to and within the site and to the wider road, rail and river network is key. Sites in London that are in close proximity to commercial centres, the TLRN / strategic road network, river wharves and railway stations are likely to be more feasible than those that aren’t.

Guidance for completing the information template

Please consider sites that might be suitable for use as urban logistics hubs. To assess them, we need you to complete the information template provided, following these steps:

1. Familiarise yourself with the fictional example we have completed on the 'Example' tab.
2. Navigate to the 'Site 1' tab and fill in all of the cells under the 'Value' column (which are also highlighted in yellow).
3. Any additional information or the rationale behind the answers given can be written in the adjacent cell to the right.
4. If you have any photos or supporting material, such as floor plans, please paste these into the 'Site 1 Images' tab.
5. Repeat the above steps for additional sites within the 'Site 2' etc tabs

Next Steps

- Please complete the template and email to [REDACTED]
- If you are unable to answer any template fields, please share with colleagues that might be able to help, who may be situated in property / commercial / planning policy / development management / procurement teams.
- Should you require any additional support in completing the worksheet, staff at Steer will be happy to help you. Please email [REDACTED] in the first instance.

C Site examples

Site 1: Galleywall Trading Estate

Local authority

- Southwark

Street address

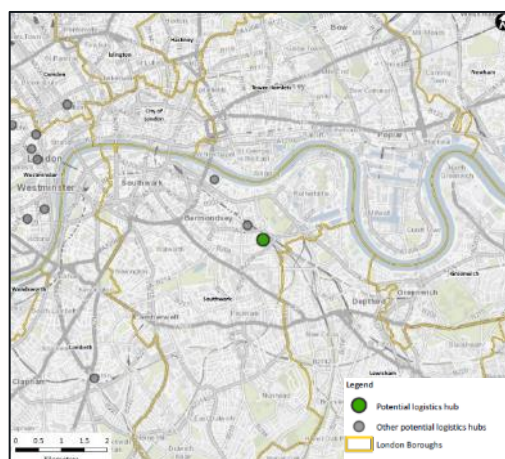
- Galleywall Trading Estate, 36 Rennie Estate, Bermondsey, London SE16 3PE

Description of site

- Large vacant industrial unit

Site ownership / existing lease agreements

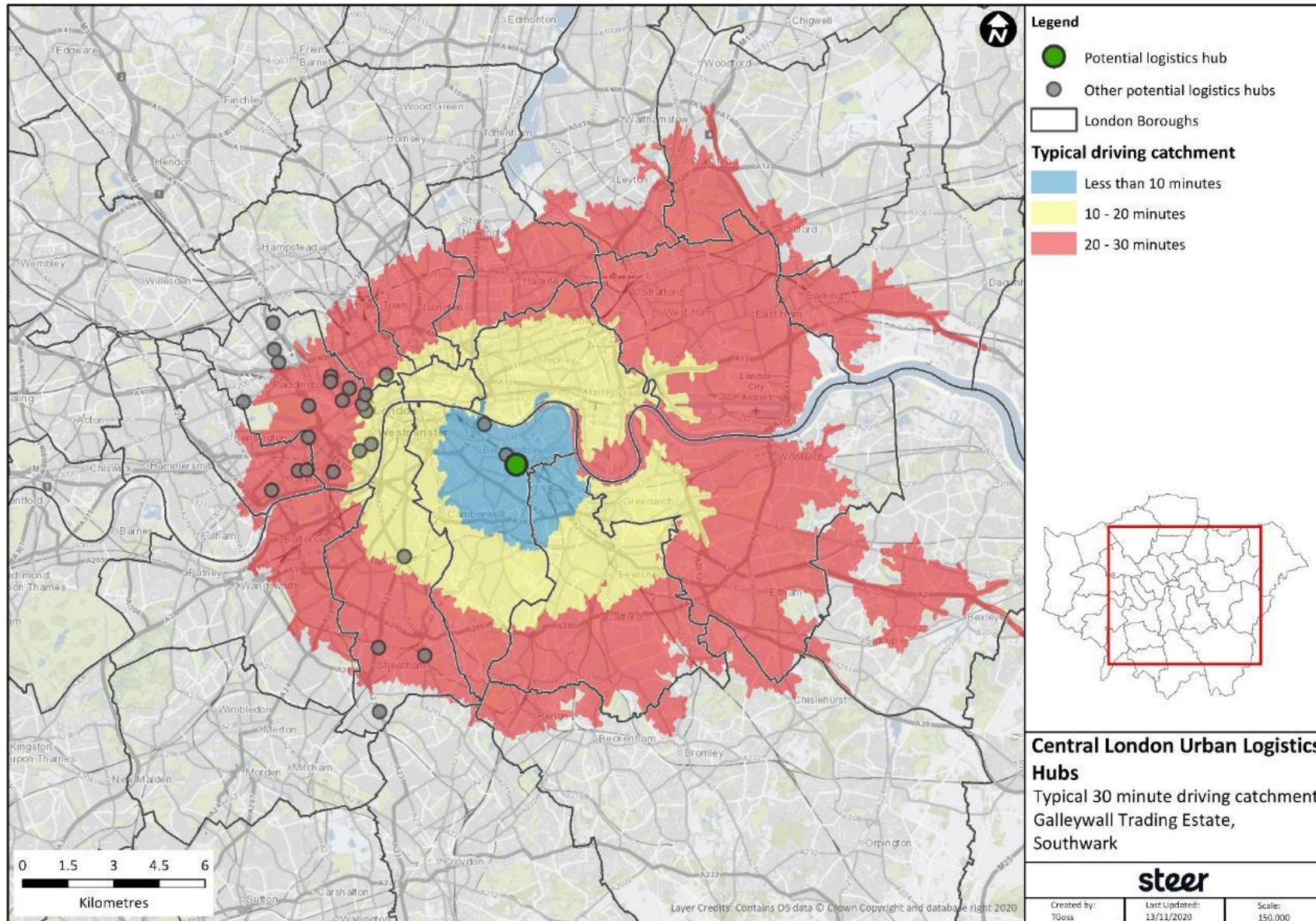
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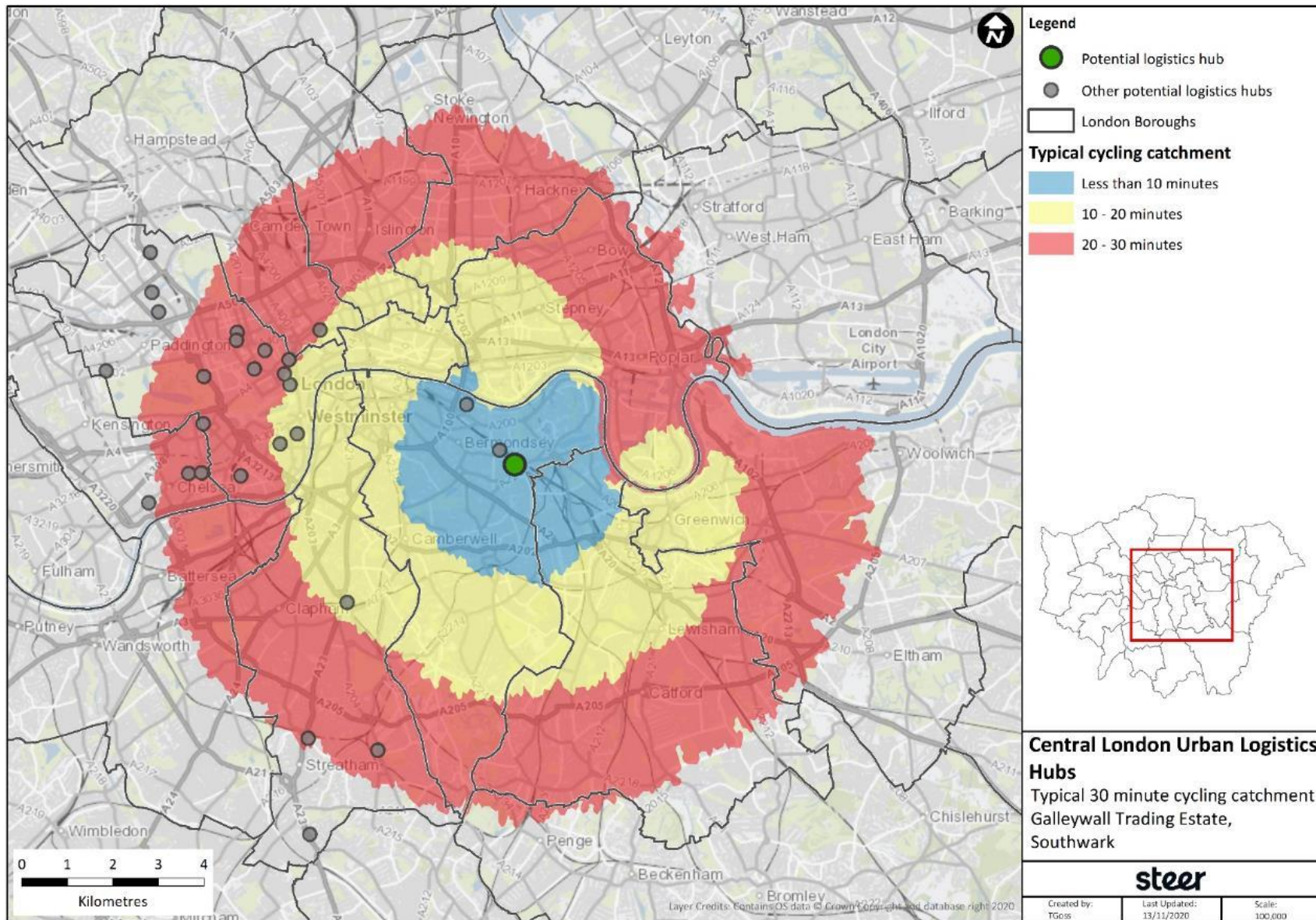


Criteria	Rating	Description
Physical Suitability (Logistics Hub) Vehicle size / facilities / storage space / power supply etc	Good	Site appears to be large industrial unit with space for storing goods and vehicles both inside and outside. Area for turning vehicles provided in service yard.
Physical Suitability (Micro-Logistics Hub) Vehicle size / facilities / storage space / power supply etc	Good	Given industrial unit use, likely to be equipped with power output and staff facilities.
Height Restriction	Good	Exact height unknown, however site access and into the industrial unit appears to be suitable for a heavy goods vehicle.
Strategic Access Routes to Site Proximity to TLRN / 'A' Roads	Good	Circa 200m from the A2206 Southwark Park Road and 200m from the A2208 Rotherhithe New Road.
Local Access Routes into Site Access restrictions in local roads / proximity to residential property	Good	The site is neighboured by other commercial uses, roads appear suitable for larger vehicles
Managerial Site Availability / Security / Loading Bays etc	Good	Unsure as to the site's availability, given information suggests it is vacant. Industrial site and unit appear secure however may be capital cost to upgrade the facilities up to a suitable standard.

Summary

The proposed site is a large vacant industrial unit located within the London Borough of Southwark. The site has good access to the strategic road network and movements on local roads to the site would be minimised. Whilst the exact height restriction is unknown, it appears to be suitable for accommodating heavy goods vehicles and features a service yard where vehicles could park. Given the industrial estate location away from residential development, the site is likely to be suitable for 24-hour use. The site location may be too far from central London for cycle or pedestrian couriers.





Site 2: Westminster Q-Park

Local authority

- Westminster

Street address

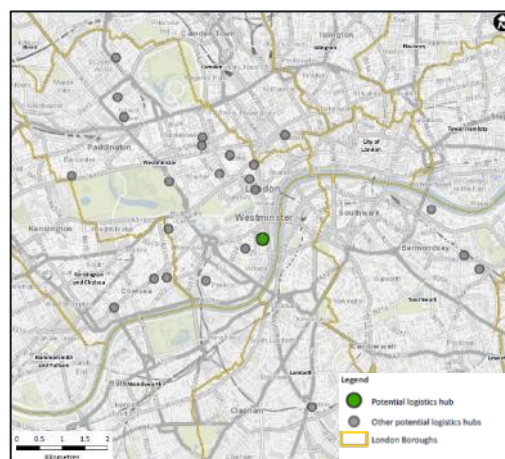
- Great College Street, SW1P 3RX

Description of site

- Underground car park

Site ownership / existing lease agreements

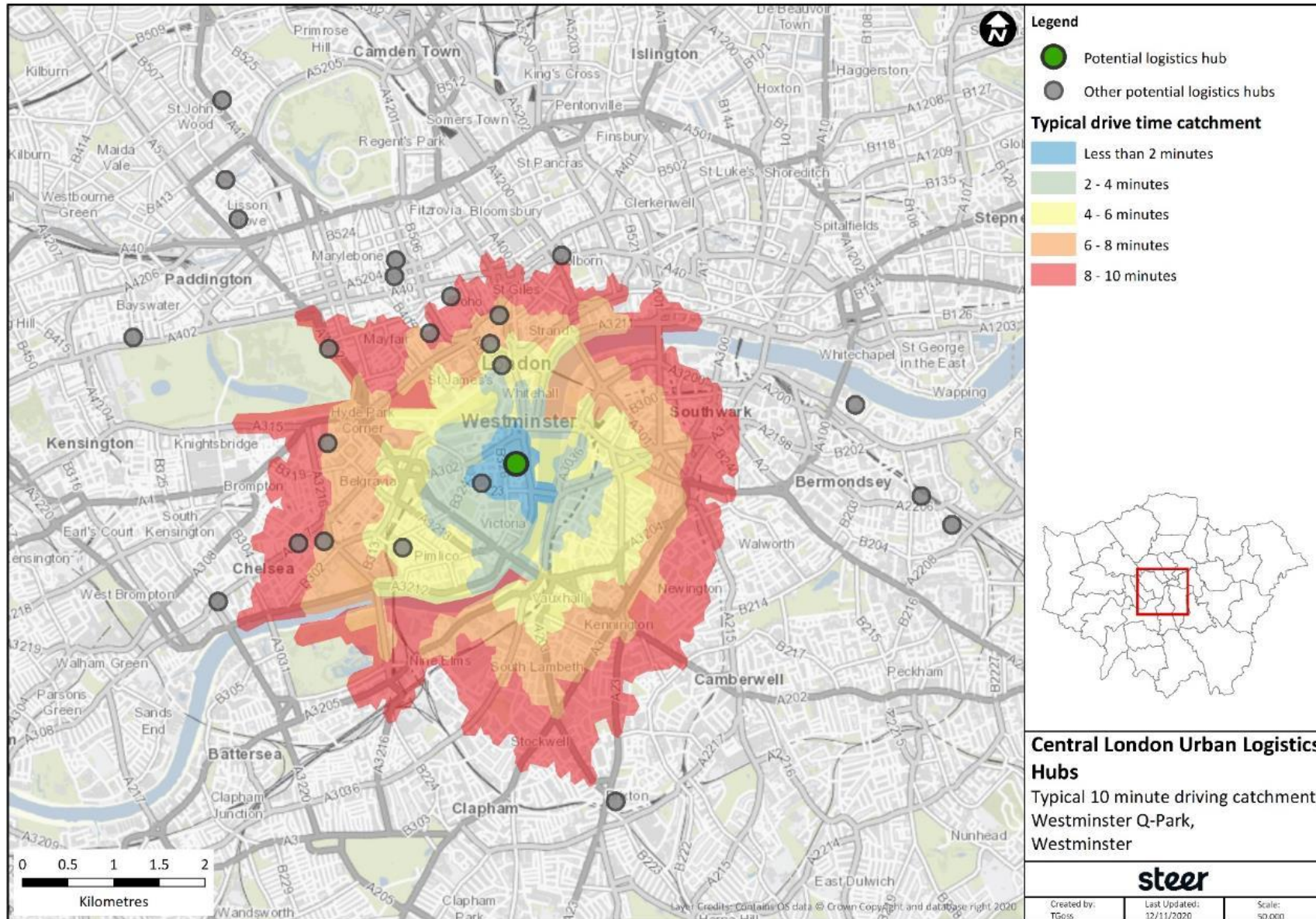
- Q-Park

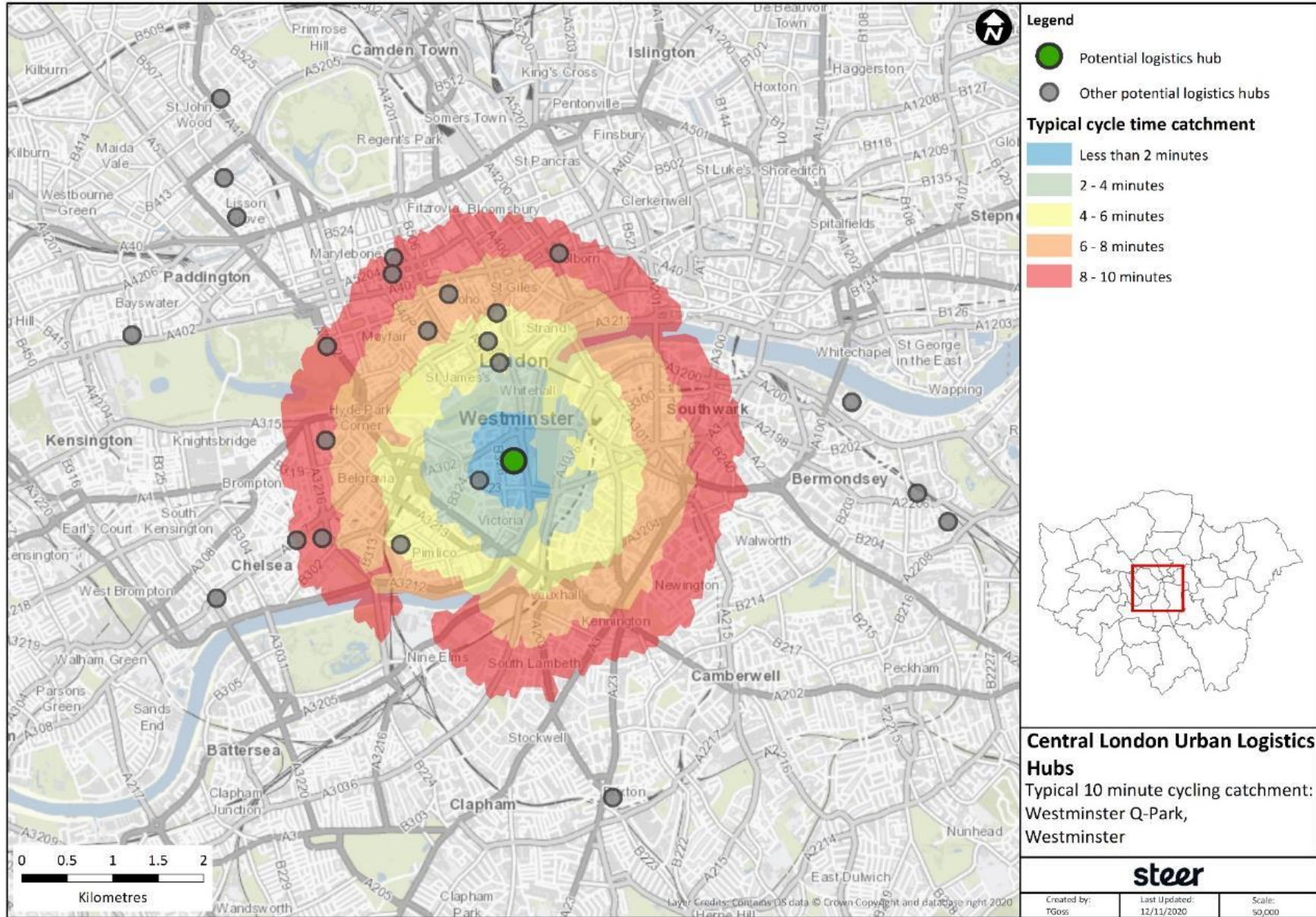


Criteria	Rating	Description
Physical Suitability (Logistics Hub) Vehicle size / facilities / storage space / power supply etc	Good	Q-Park site with 183 car parking spaces presents ample space for use as a logistics hub. Indication from Q-Park that adaptations to incorporate use can be made, if required.
Physical Suitability (Micro-Logistics Hub) Vehicle size / facilities / storage space / power supply etc	Good	Given the size of the space, more suited for larger logistics operation, however would not preclude use for micro-logistics.
Height Restriction	2.13m	Height restriction is highest of all returned Q-Park sites to accommodate larger vehicles but not heavy goods vehicles.
Strategic Access Routes to Site Proximity to TLRN / 'A' Roads	Good	Site access is within 50m of the A3212 Abingdon Road and close to the river Thames.
Local Access Routes into Site Access restrictions in local roads / proximity to residential property	Good	Minimal use of local roads to access the site. Access restrictions around Palace of Westminster on certain days may restrict access.
Managerial Site Availability / Security / Loading Bays etc	Good	The site is available, with underground nature and existing car park operation improving security.

Summary

The proposed site is an underground car park located within the boundary of Westminster City Council adjacent to the Palace of Westminster. The space is large, accommodating a total of 183 car parking spaces, with the acceptable height clearance making it suitable for use as a logistics hub. Q-Park has stated that it will be accommodating to any potential user and will endeavour to make a deal happen at any of their sites, showing the good availability and ease of adaptation for use. Given proximity to the Palace of Westminster, there may be security concerns regarding storage of certain goods, however, given current car park use this unlikely to be an issue. The site is well located to be able to cater for workplace and residential customers and offers an opportunity to work with the Office of Government Property to reduce and consolidate the number of deliveries and collections to nearby government departments.





Site 3: Marble Arch / Park Lane Q-Park

Local authority

- Westminster

Street address

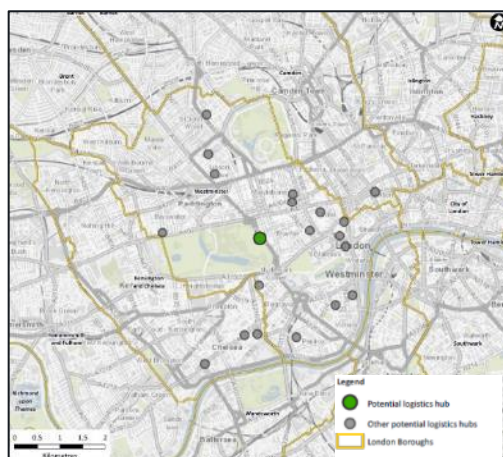
- Marble Arch, Cumberland Gate, W1K 7AN
- Park Lane, W2 2ET

Description of site

- Underground car park

Site ownership / existing lease agreements

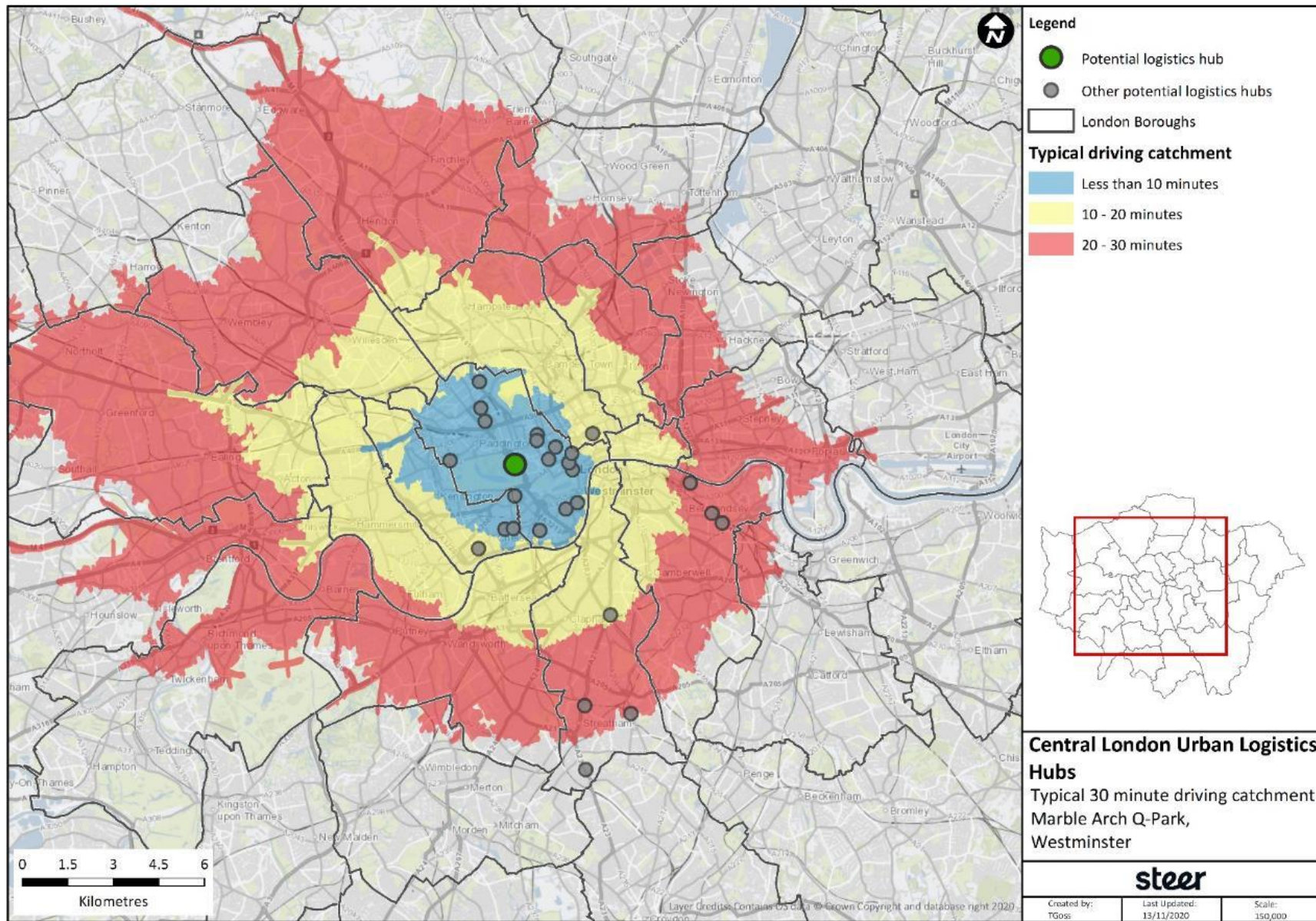
- Q-Park

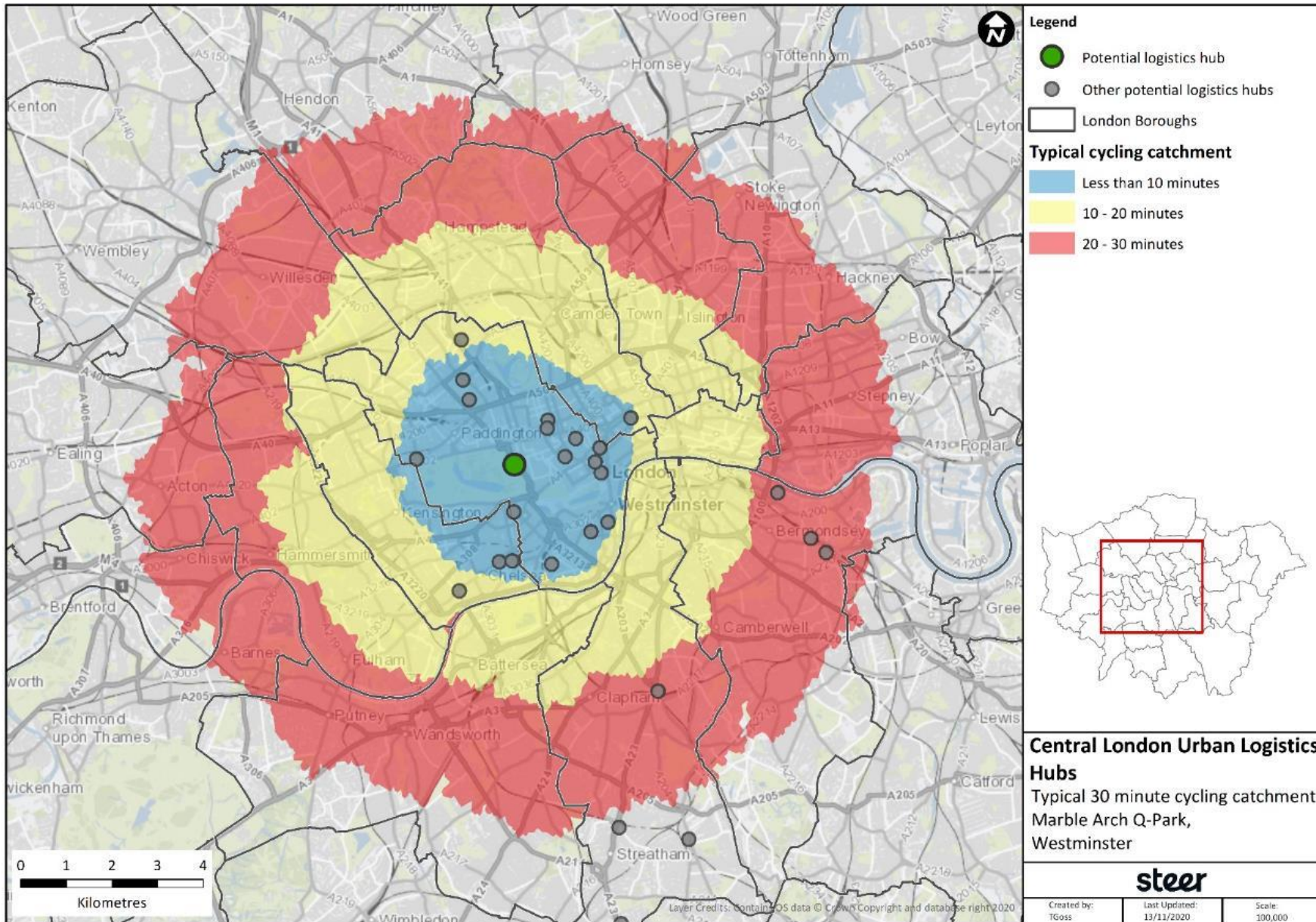


Criteria	Rating	Description
Physical Suitability (Logistics Hub) Vehicle size / facilities / storage space / power supply etc	Good	Q-Park site with 981 car parking spaces presents ample space for use as a logistics hub (as demonstrated by DPD use as second Westminster hub). Indication from Q-Park that adaptations to incorporate use can be made, if required.
Physical Suitability (Micro-Logistics Hub) Vehicle size / facilities / storage space / power supply etc	Good	Given the size of the space, more suited for larger logistics operation, however would not preclude use for micro-logistics.
Height Restriction	2.08m	Height restriction will be sufficient to accommodate some vans but not HGVs / large LGVs.
Strategic Access Routes to Site Proximity to TLRN / 'A' Roads	Good	Site access is directly onto either A4202 Park Lane or Cumberland Gate, allowing direct access to A5 Bayswater Road.
Local Access Routes into Site Access restrictions in local roads / proximity to residential property	Good	Limited residential use surrounding site access, no requirement to use local roads to access site.
Managerial Site Availability / Security / Loading Bays etc	Good	The site is available, with underground nature and existing car park operation improving security.

Summary

The proposed site is an underground car park located within the boundary of Westminster City Council. The floor space is large, accommodating a total of 981 car parking spaces currently, with the 'acceptable' height clearance making it suitable for use a logistics hub. Q-Park has stated that it will be accommodating to any potential user and will endeavour to make a deal happen at any of its sites. DPD has recently secured permission to use the space for urban logistics, confirming the site's suitability. The site is located close to a number of densely populated areas with direct access to strategic roads.





Site 4: St. John’s Wood Q-Park

Local authority

- Westminster

Street address

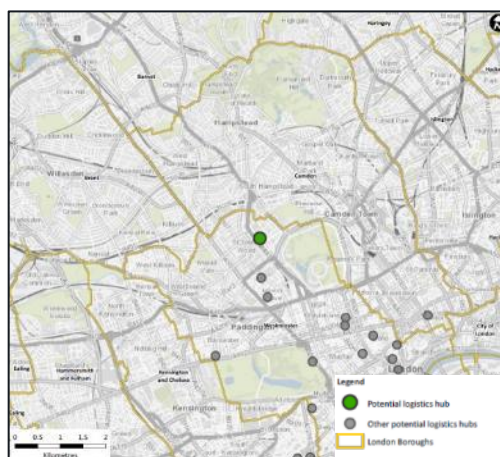
- Kingsmill Terrace, NW8 6AA

Description of site

- Underground car park

Site ownership / existing lease agreements

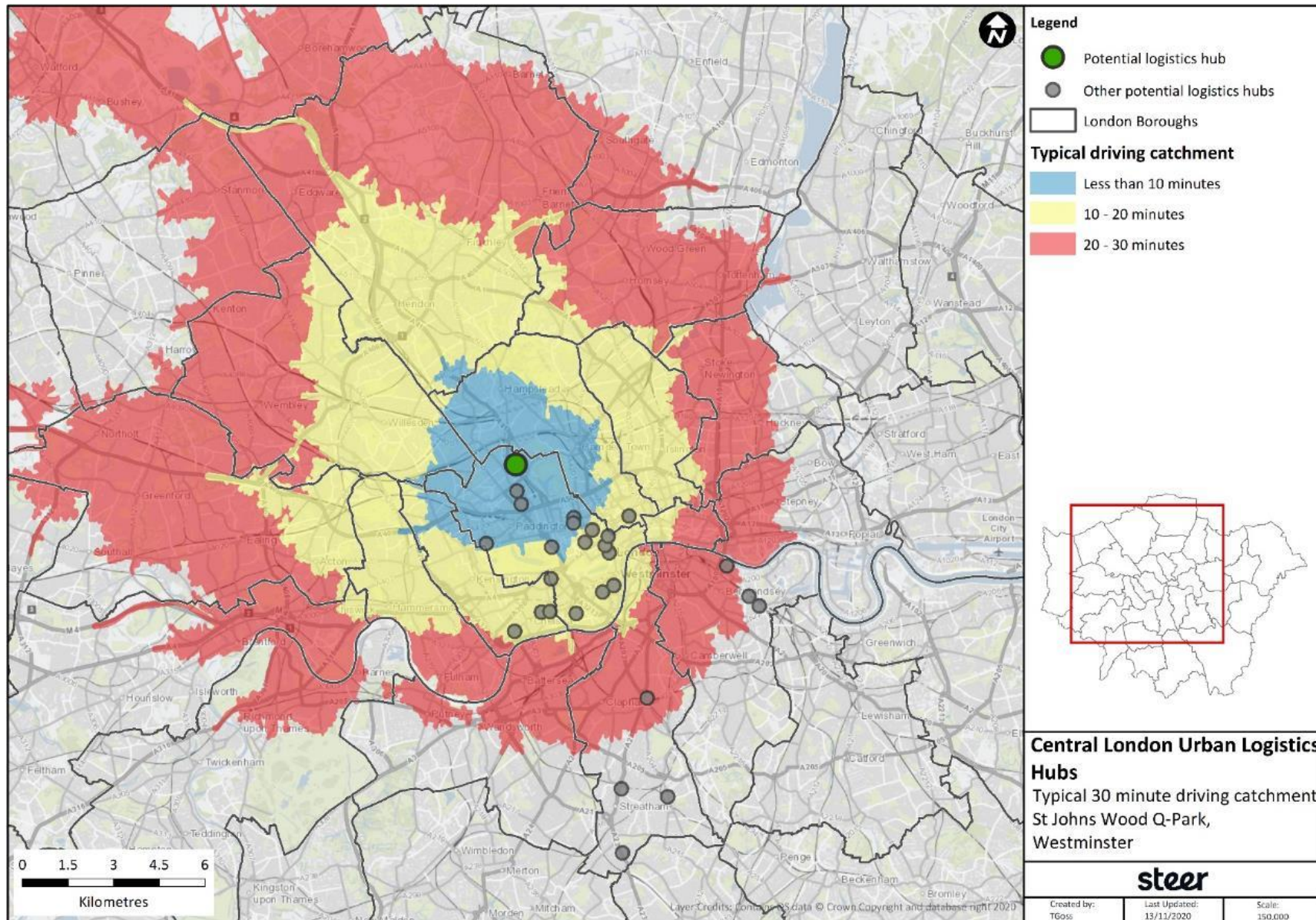
- Q-Park

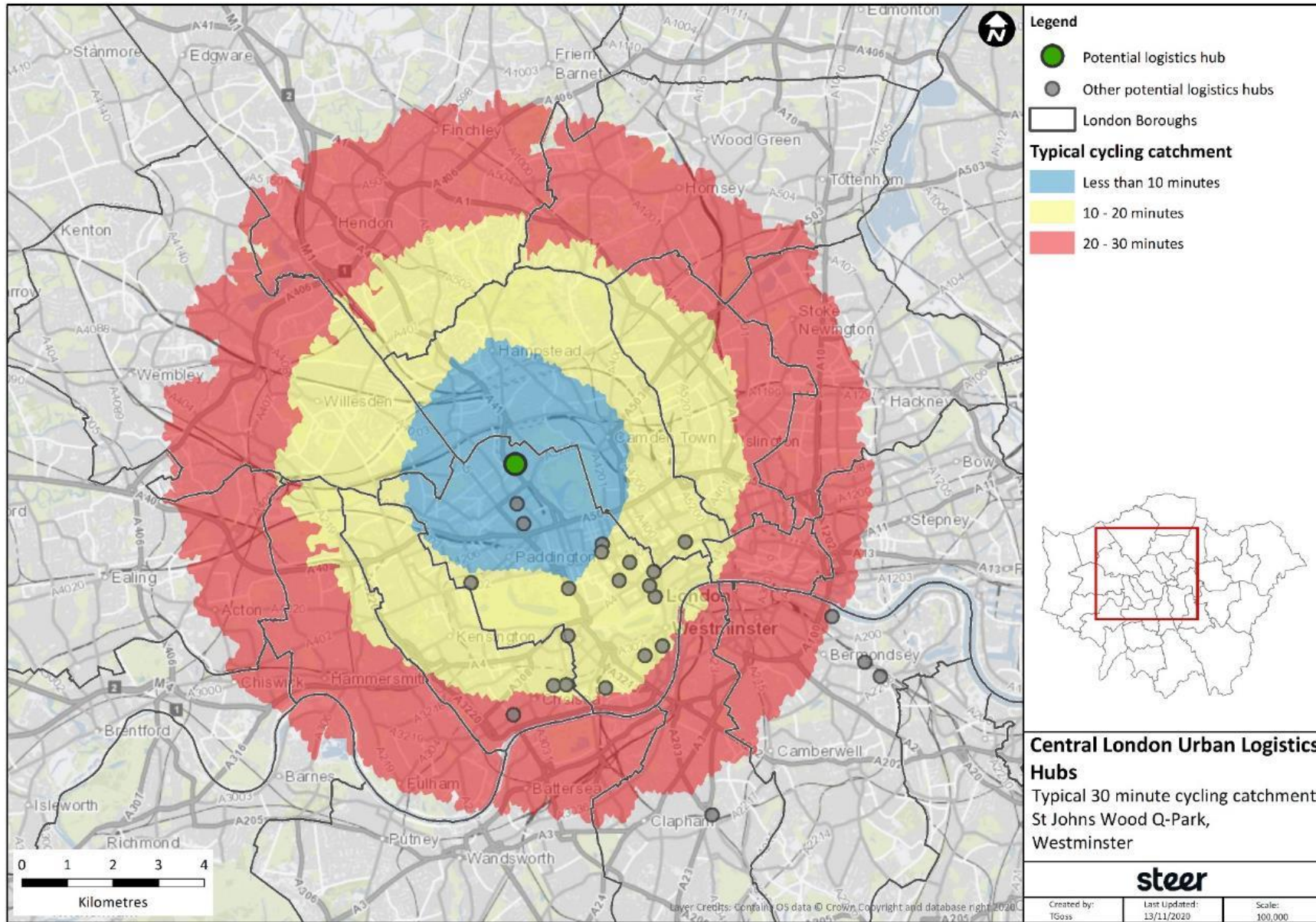


Criteria	Rating	Description
Physical Suitability (Logistics Hub) Vehicle size / facilities / storage space / power supply etc	Good	Q-Park site with 237 car parking spaces presents ample space for use as a logistics hub. Indication from Q-Park that adaptations to incorporate use can be made, if required.
Physical Suitability (Micro-Logistics Hub) Vehicle size / facilities / storage space / power supply etc	Good	Given the size of the space, more suited for larger logistics operation, however would not preclude use for micro-logistics.
Height Restriction	2.00m	Height restriction appears sufficient to accommodate some van models but not HGVs.
Strategic Access Routes to Site Proximity to TLRN / 'A' Roads	Good	Site access is within close proximity to the A41 Wellington Road.
Local Access Routes into Site Access restrictions in local roads / proximity to residential property	Good	Located within residential area, however underground nature provides protection from potential noise. Minimal use of local roads to access the site.
Managerial Site Availability / Security / Loading Bays etc	Good	The site is available, with underground nature and existing car park operation improving security.

Summary

The proposed site is an underground car park located within the boundary of Westminster City Council in St. John’s Wood. The space is large, accommodating a total of 237 car parking spaces, with the acceptable height clearance making it suitable for use as a logistics hub. Q-Park has stated that it will be accommodating to any potential user and will endeavour to make a deal happen at any of its sites. Given the residential nature of surrounding area, the site is appropriately located for access to many end-users, although 24-hour vehicle movements and access requirements may be a concern.





Site 5: 37 Kings Road

Local authority

- Royal Borough of Kensington & Chelsea

Street address

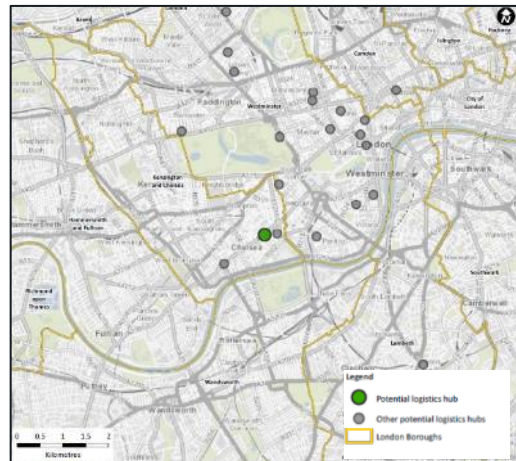
- 37 Kings Road, SW3 4NB

Description of site

- Unoccupied underground car park and servicing areas

Site ownership / existing lease agreements

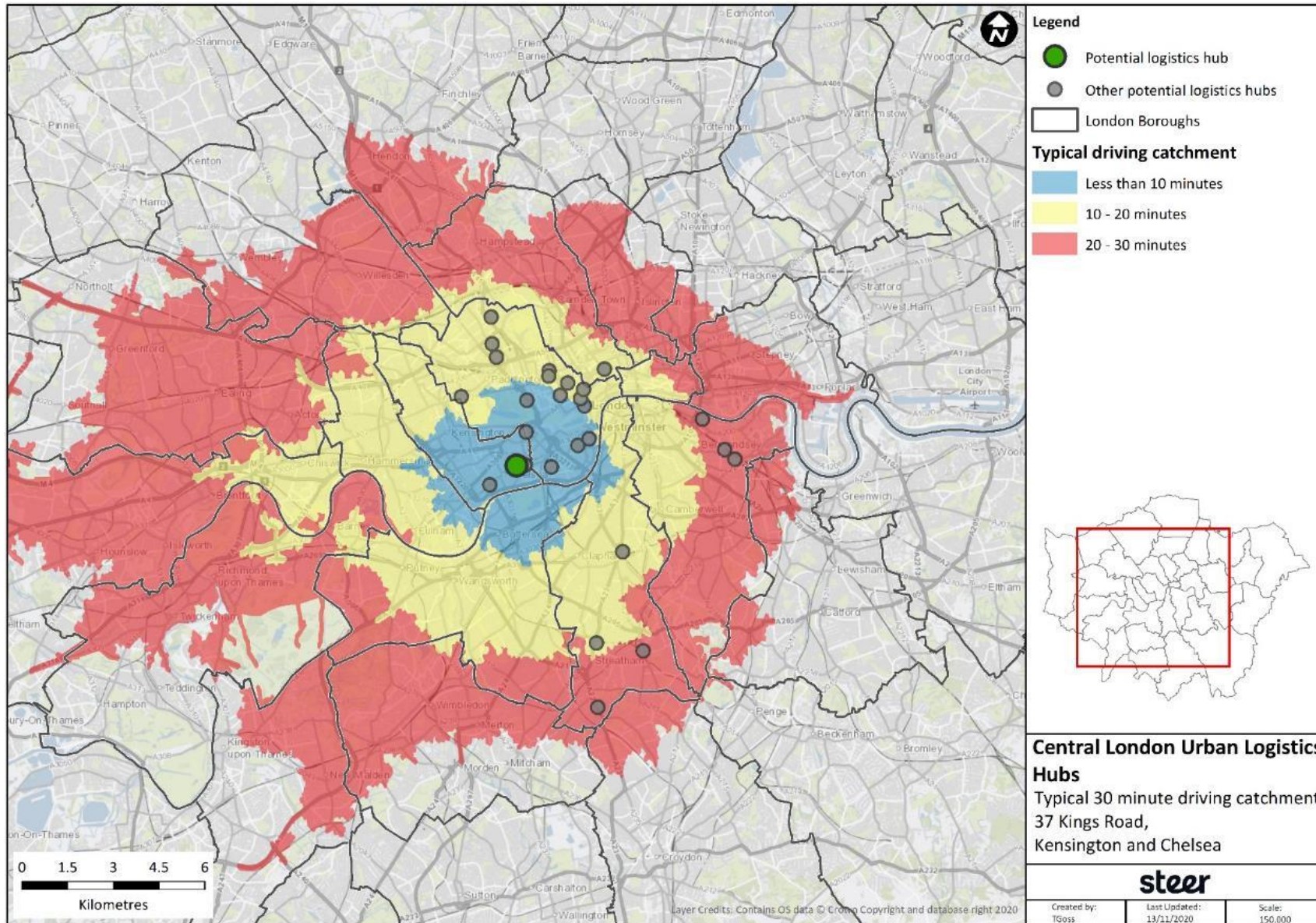
- Cadogan Estates

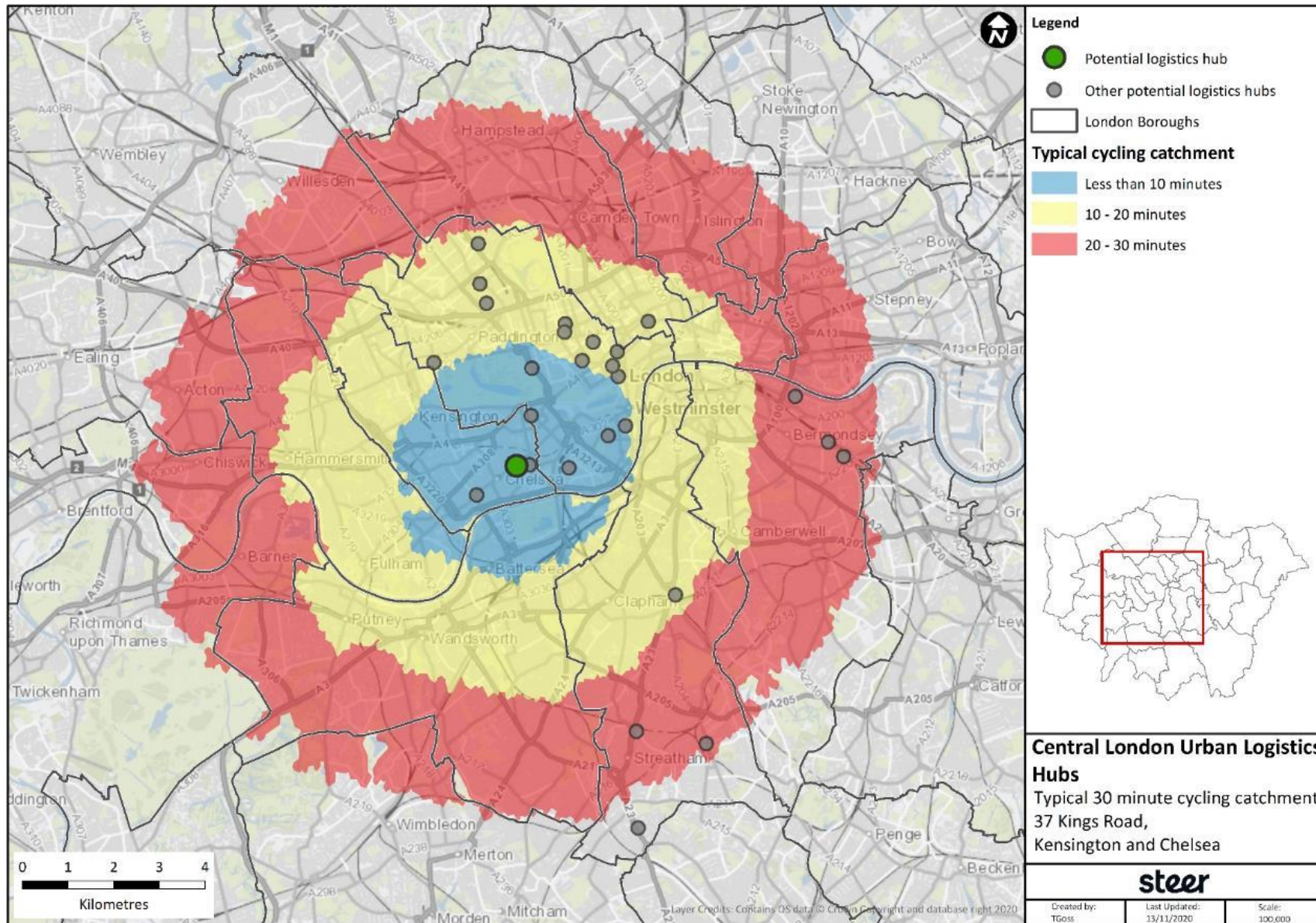


Criteria	Rating	Description
Physical Suitability (Logistics Hub) Vehicle size / facilities / storage space / power supply etc	Acceptable	Space available comprises of 81m ² (870ft ²) of unoccupied basement car parking / servicing area. Given space provided, it is less suited to a larger logistics operation.
Physical Suitability (Micro-Logistics Hub) Vehicle size / facilities / storage space / power supply etc	Good	Size of space is in-keeping with requirements for micro-logistics operators. A small office space with power supply available is also provided.
Height Restriction	1.95m	Height restriction into area may prevent vans from making deliveries directly into the site. Access is ramped into the site as well, impacting nearby drop-off also.
Strategic Access Routes to Site Proximity to TLRN / 'A' Roads	Good	Site sits directly on the A3217 King's Road.
Local Access Routes into Site Access restrictions in local roads / proximity to residential property	Good	The site is neighboured by other commercial uses, although access is close to residential areas.
Managerial Site Availability / Security / Loading Bays etc	Acceptable	Site is available and owners are interested in enabling a micro-logistics hub to operate. Underground nature of the site helps with security. Space to unload deliveries gives potential for the site's viability as a micro-logistics hub.

Summary

The proposed site is a reasonably-sized basement car park and servicing area underneath the retail units at 37 Kings Road in the Royal Borough of Kensington & Chelsea. The site has direct access to the strategic road network; minimising movements on local roads, which are residential in nature. The height restriction will prevent larger vehicles being able to access the site directly, making it more suitable for use as a micro-logistics hub.





Site 6: Cavalry Square Garages

Local authority

- Royal Borough of Kensington & Chelsea

Street address

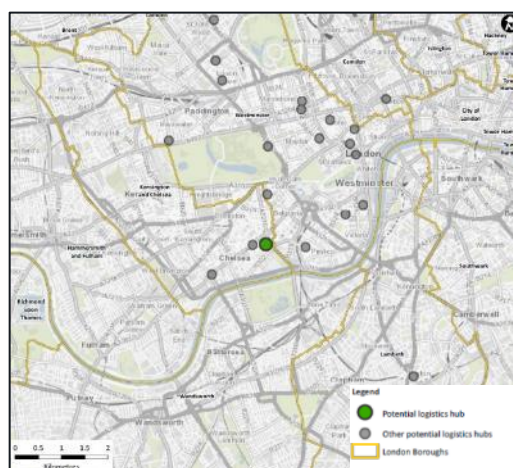
- Cavalry Square, SW3 4RB

Description of site

- Underused garages

Site ownership / existing lease agreements

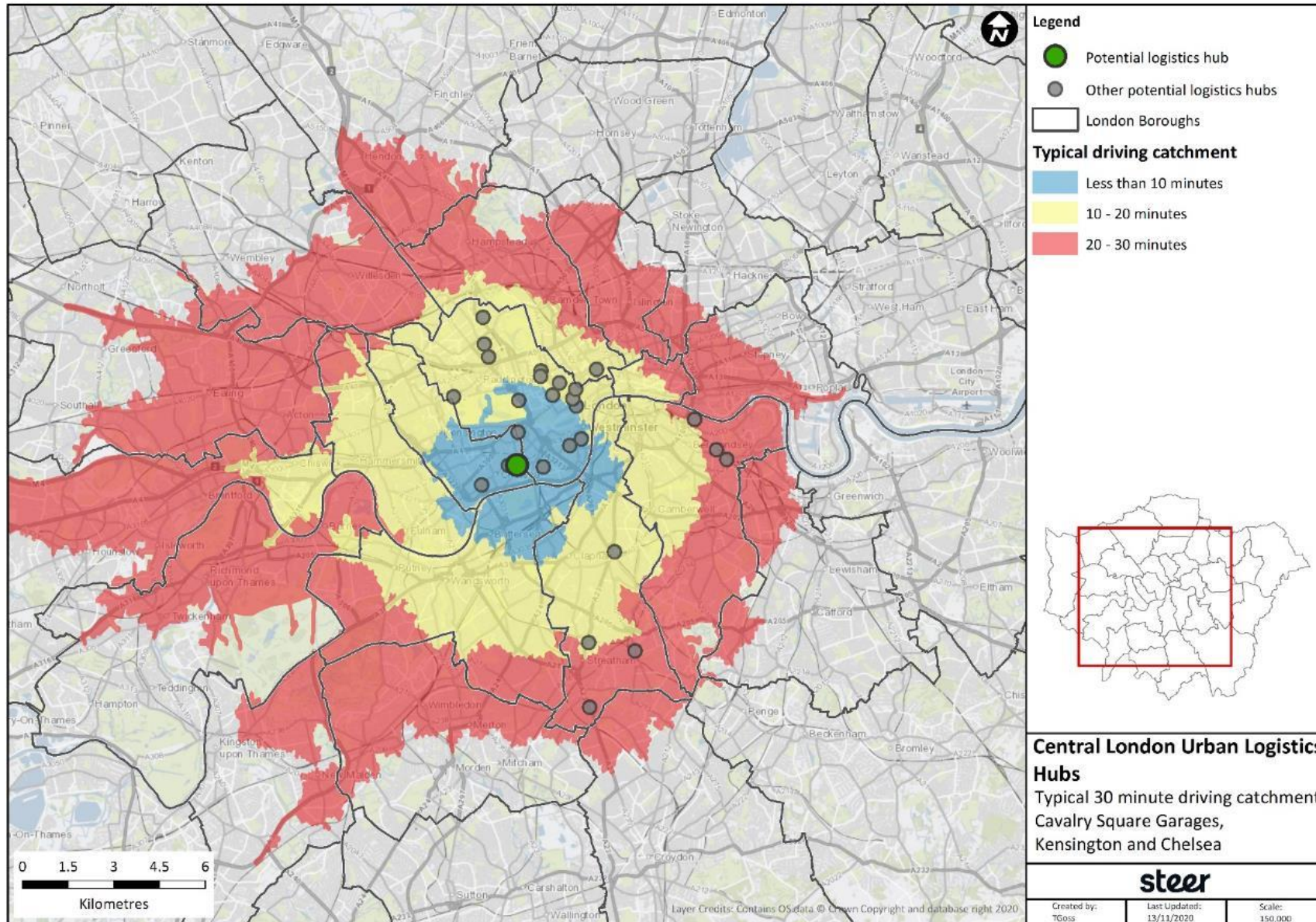
- Cadogan Estates

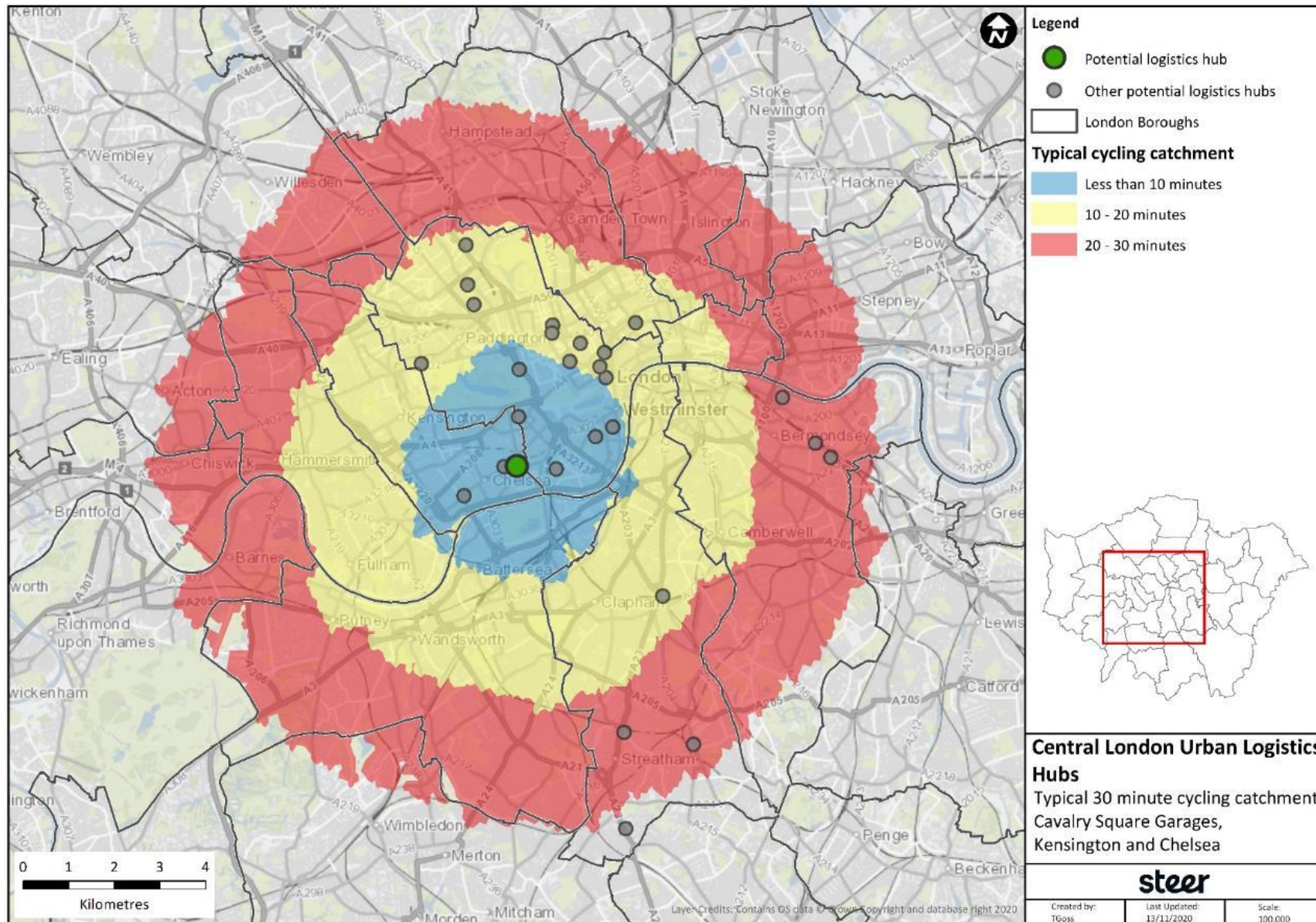


Criteria	Rating	Description
Physical Suitability (Logistics Hub) Vehicle size / facilities / storage space / power supply etc	Acceptable	There appears to be parking available, however the ability / space to accommodate a fleet of vans seems limited. Limited space for large-scale storage of goods
Physical Suitability (Micro-Logistics Hub) Vehicle size / facilities / storage space / power supply etc	Good	Given its garage nature, the site appears suited to be used for micro-logistics served by cycle freight. Goods could be stored safely overnight if required.
Height Restriction	Unknown	Appears to be no height restriction to access site, however the height of specific garages that could be used is not known.
Strategic Access Routes to Site Proximity to TLRN / 'A' Roads	Good	Site access is within 40m of A3216 Lower Sloane Street.
Local Access Routes into Site Access restrictions in local roads / proximity to residential property	Good	Minimal use of local roads required to access site, although the site is located in a residential area with a school located adjacent to site entrance, which could be an issue.
Managerial Site Availability / Security / Loading Bays etc	Acceptable	Site is available and owners are interested in enabling a micro-logistics hub to operate. Access to loading area outside garages is available and appears to be gated and managed, suggesting that site security would be adequate.

Summary

The proposed site consists of underused garages within Cavalry Square in the Royal Borough of Kensington & Chelsea. The site has direct access to the strategic road network, minimising movements through local roads, which are residential in nature. There appears to be no height restriction to the site's access, which suggests that it would be directly accessible to HGVs. The site is gated and managed, improving security. However, the size of available garages is unclear, but available space suggests that it is better suited to micro-logistics operations. Nearby residential development and school opposite the site's entrance may preclude 24-hour use.





Site 7: Ryan Court Car Parking

Local authority

- Lambeth

Street address

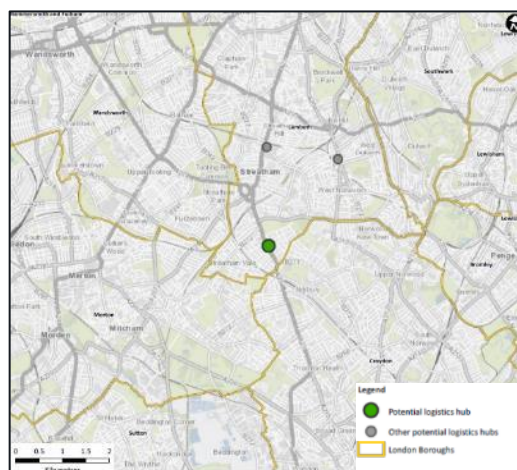
- Ryan Court, Baldry Garden, SW16 3PJ

Description of site

- Underused garages

Site ownership / existing lease agreements

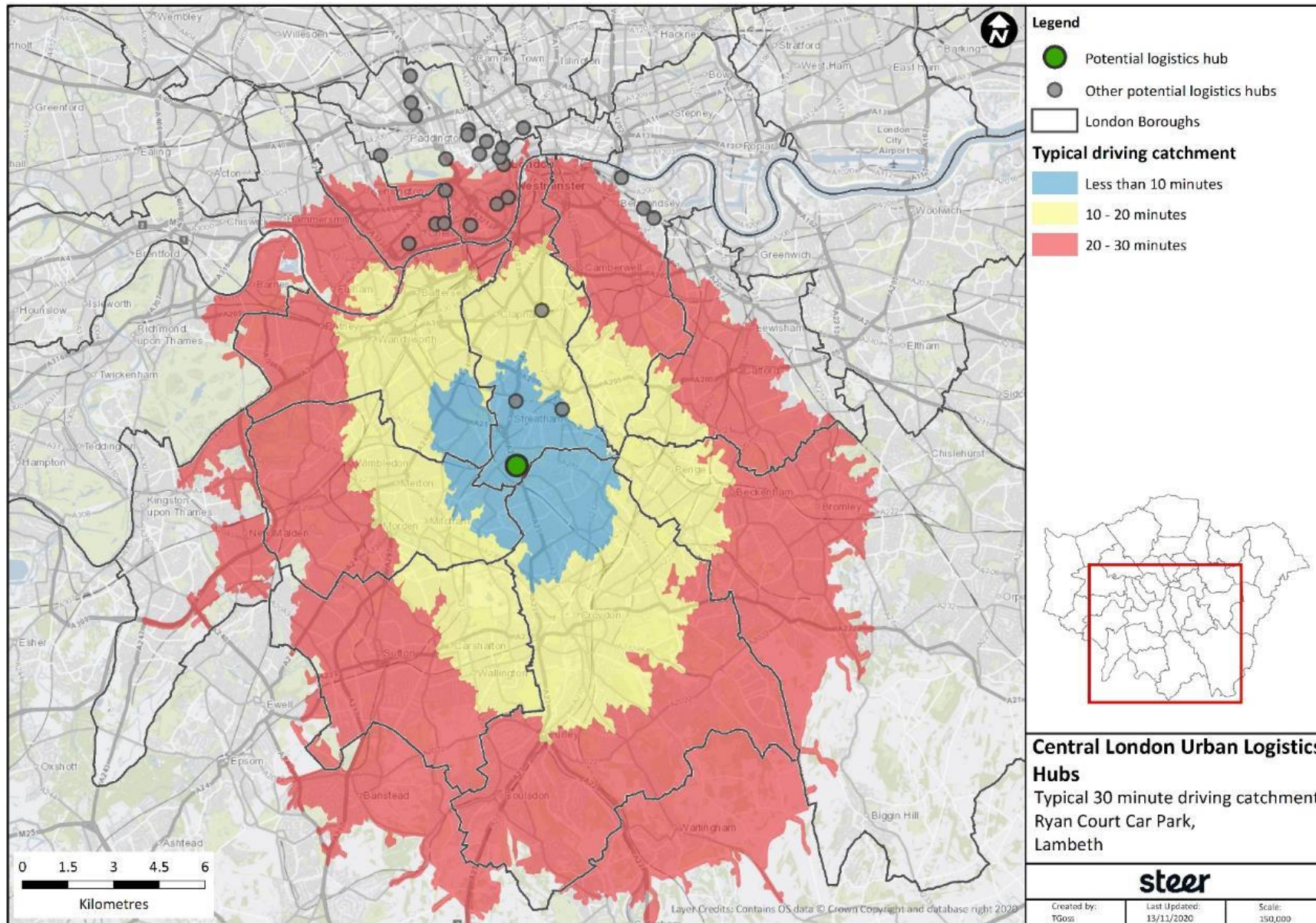
- LB Lambeth

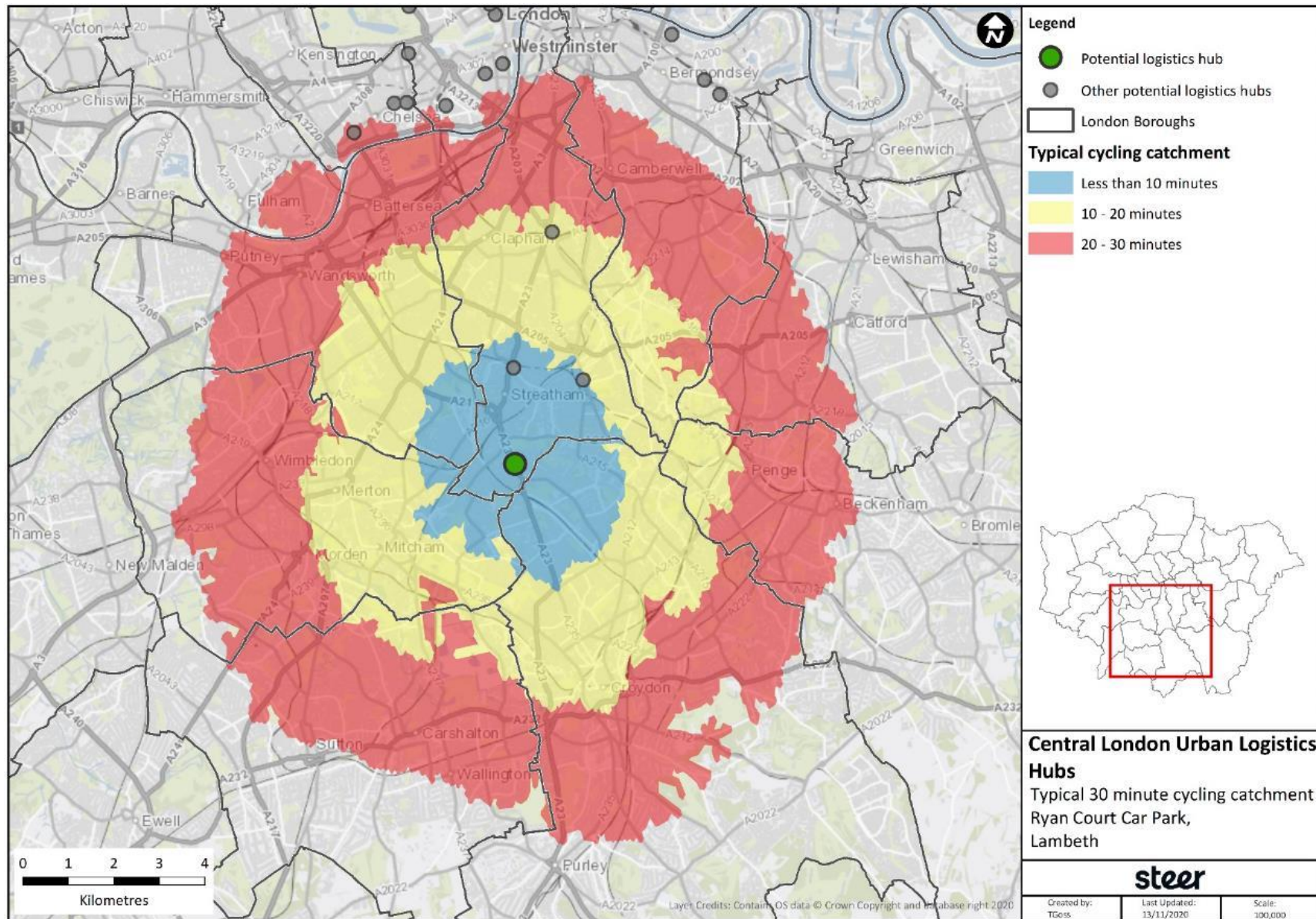


Criteria	Rating	Description
Physical Suitability (Logistics Hub) Vehicle size / facilities / storage space / power supply etc	Acceptable	Space appears limited for larger logistics operations, with limited space for both vehicle fleet and storage of goods.
Physical Suitability (Micro-Logistics Hub) Vehicle size / facilities / storage space / power supply etc	Good	Given garage nature, site appears better suited to micro-logistics operations, served by cycle freight.
Height Restriction	Unknown	Appears to be no height restriction to direct site access, however height of specific garages available for use is not known.
Strategic Access Routes to Site Proximity to TLRN / 'A' Roads	Good	Site access is within 60m of A23 Streatham High Road.
Local Access Routes into Site Access restrictions in local roads / proximity to residential property	Good	Minimal use of local roads required to access site, although garages located underneath residential block and site within residential area.
Managerial Site Availability / Security / Loading Bays etc	Acceptable	Unsure as to site availability, although suggested by LB Lambeth for consideration. Loading would have to take place outside of garages, which may require additional agreements.

Summary

The proposed site consists of underused garages underneath a residential block in Streatham in the London Borough of Lambeth. The site has direct access to the strategic road network, minimising movements on local roads, which are residential in nature. There appears to be no height restriction to the site's access, however the size of garages available is unclear. Therefore, site is better suited to micro-logistics operations. Nearby residential development may preclude its 24-hour use.





Site 8: Tower Bridge Q-Park

Local authority

- Southwark

Street address

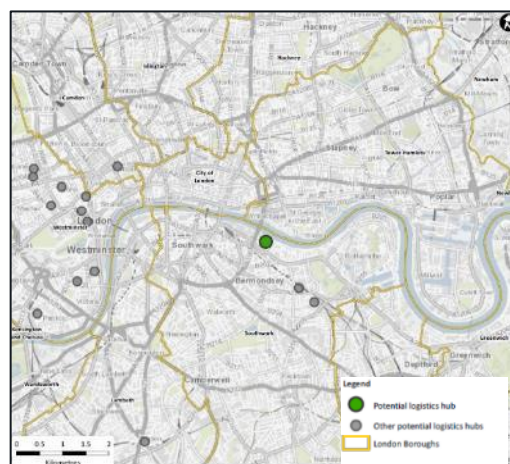
- Gainsford Street, SE1 2NE

Description of site

- Multi-storey car park

Site ownership / existing lease agreements

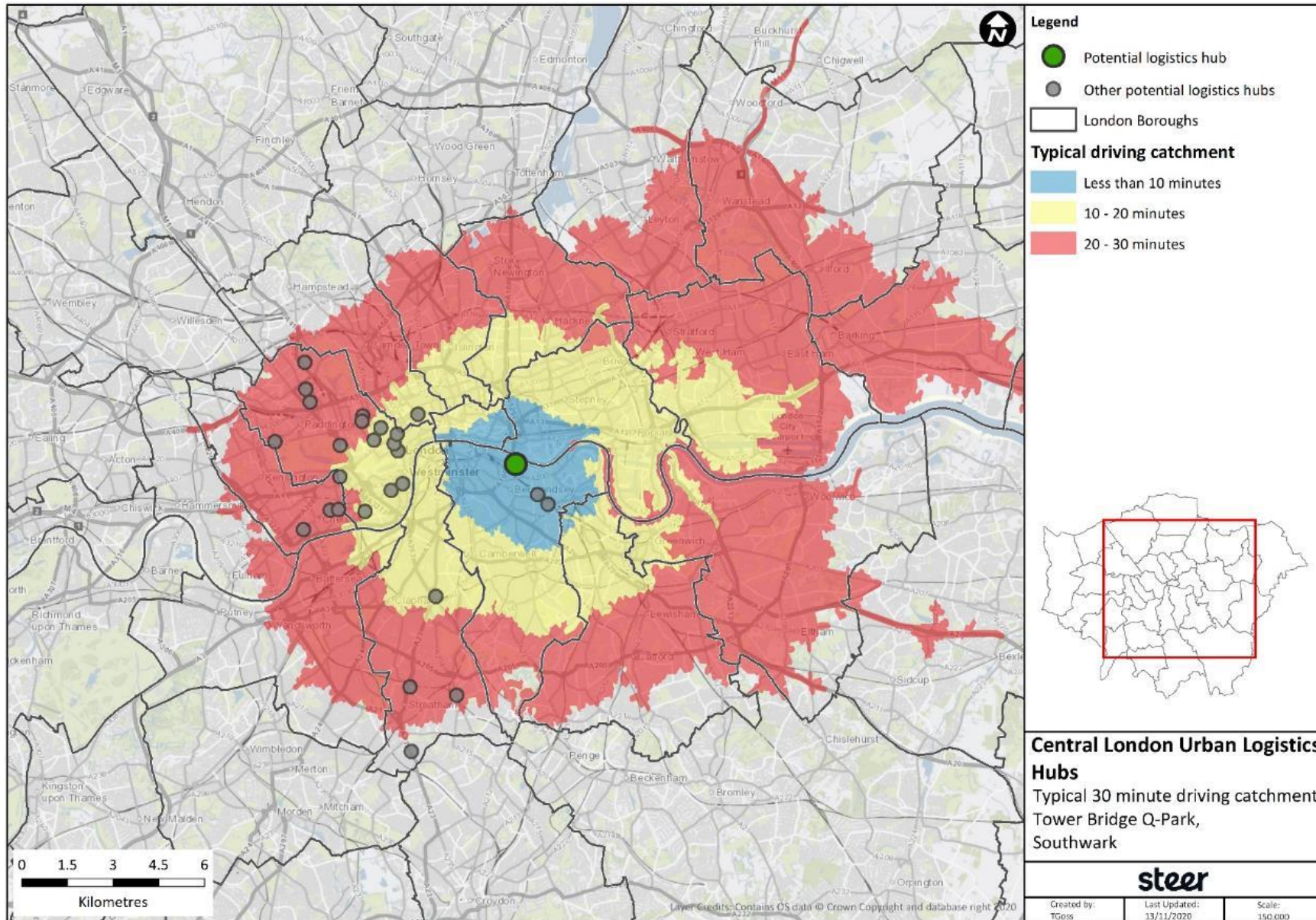
- Q-Park

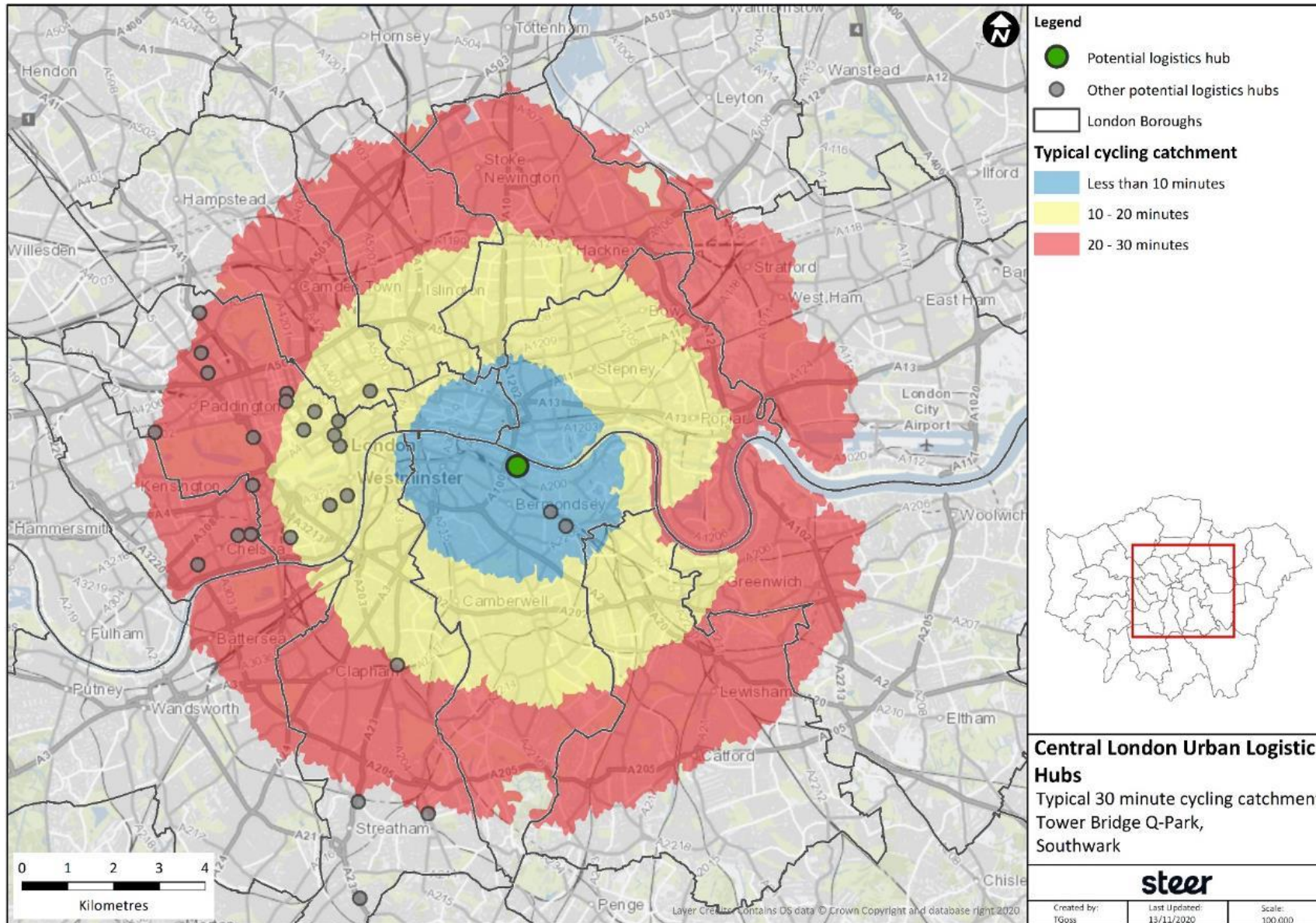


Criteria	Rating	Description
Physical Suitability (Logistics Hub) Vehicle size / facilities / storage space / power supply etc	Acceptable	Q-Park multi-storey site with 115 car parking spaces presents ample floor space but other space limitations for use as a logistics hub. Indication from Q-Park that adaptations to incorporate use can be made, if required.
Physical Suitability (Micro-Logistics Hub) Vehicle size / facilities / storage space / power supply etc	Good	Smaller Q-Park site compared to others proposed, better suited to micro-logistics operations. Multi-storey site, so ramp gradients and suitability for cycle freight would need to be checked.
Height Restriction	1.95m	Access height restriction is low and would not be directly accessible by most van models and HGVs.
Strategic Access Routes to Site Proximity to TLRN / 'A' Roads	Acceptable	Approximately 250m to A100 Tower Bridge Road, although there are access restrictions between the site and A100.
Local Access Routes into Site Access restrictions in local roads / proximity to residential property	Acceptable	One-way streets and circuitous route through narrow local roads to access A100 Tower Bridge Road.
Managerial Site Availability / Security / Loading Bays etc	Good	The site is available, with existing car park operation improving security.

Summary

The proposed site is a multi-storey car park located within the London Borough of Southwark, close to Tower Bridge and the Shad Thames area. The floor space is relatively large, accommodating a total of 115 car parking spaces, however the height clearance of the site would prevent larger vehicles accessing the site. Whereas other Q-Park have been more suited for logistics hub use, this site would be better suited for micro-logistics, given the restrictive height clearance. Q-Park has stated that it will be accommodating to any potential user and will endeavour to make a deal happen at any of its sites. The site is close to the River Thames and the Butler's Wharf passenger pier for potential use of river freight options.





Site 9: Blue Anchor Lane Railway Arches

Local authority

- Southwark

Street address

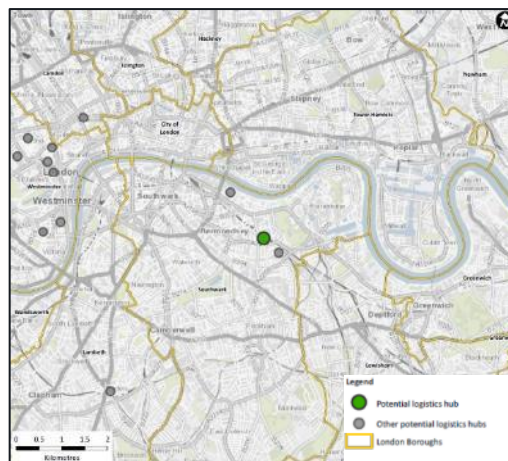
- Blue Anchor Lane, SE16 3UL

Description of site

- Disused railway arches

Site ownership / existing lease agreements

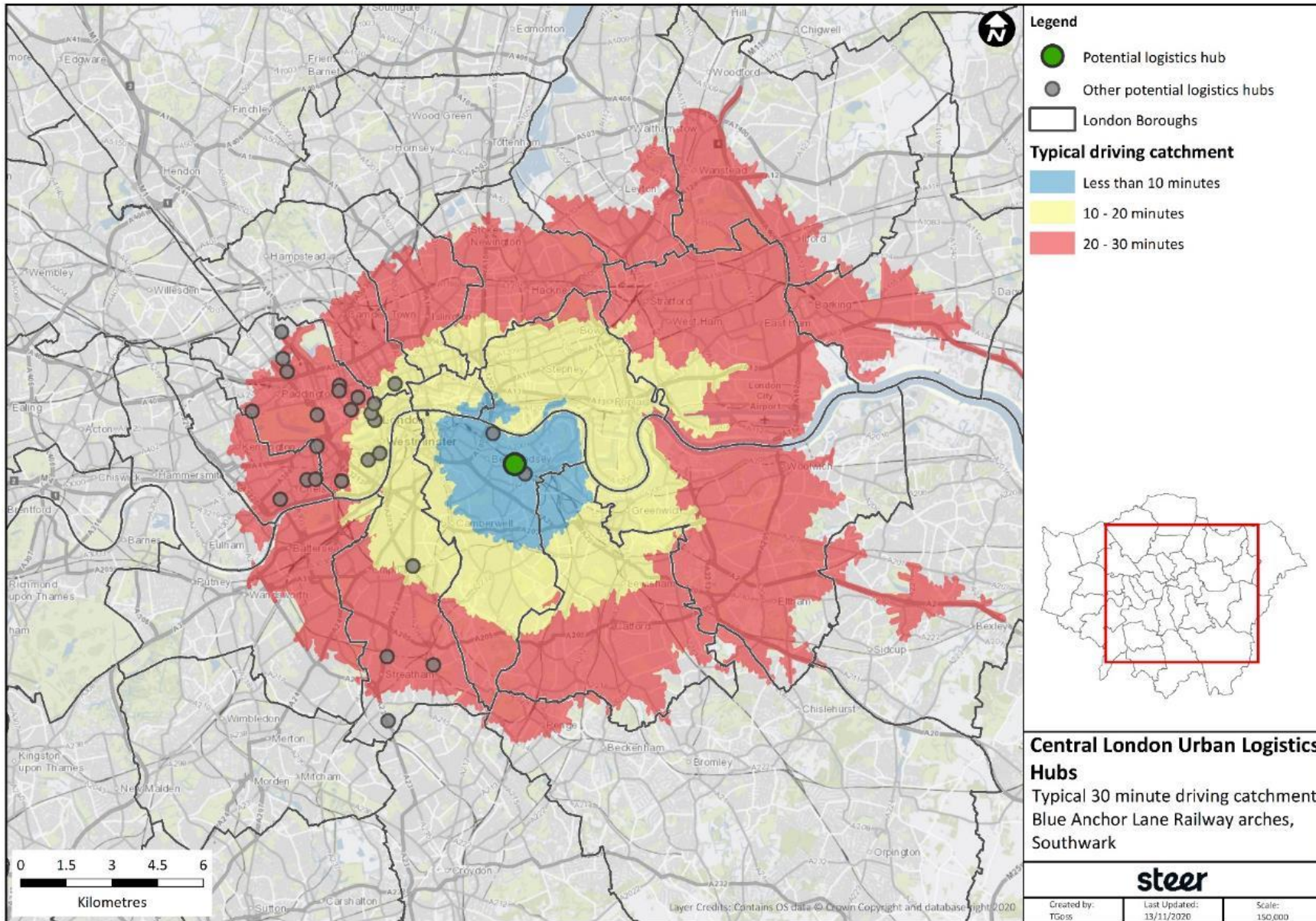
- ArchCo

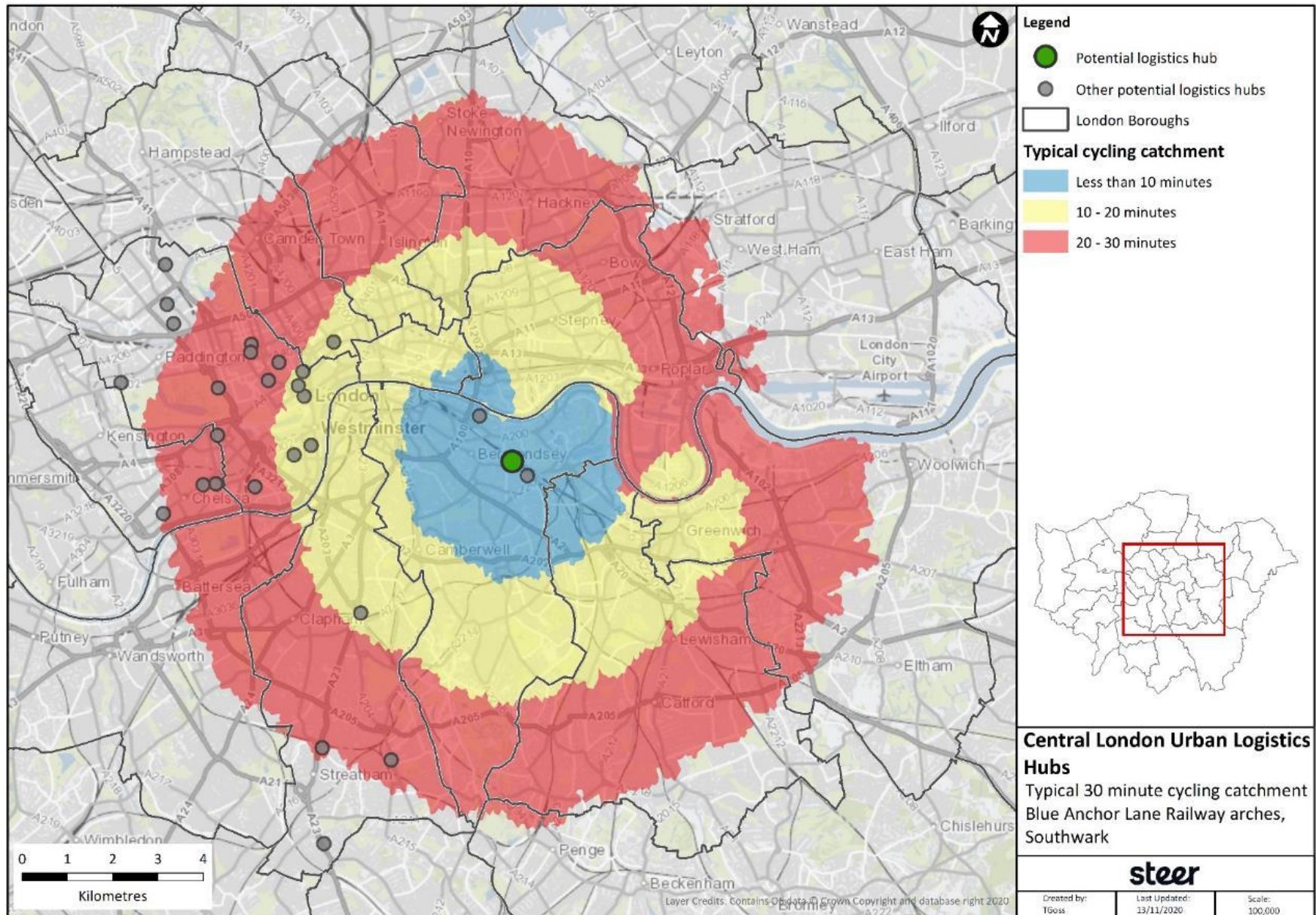


Criteria	Rating	Description
Physical Suitability (Logistics Hub) Vehicle size / facilities / storage space / power supply etc	Poor	Unsure of exact amount of space available, although it appears to be limited and there does not appear to be sufficient room to bring a vehicle on-site for loading / unloading.
Physical Suitability (Micro-Logistics Hub) Vehicle size / facilities / storage space / power supply etc	Good	Arches appear better suited to micro logistics operations and provide short-term storage.
Height Restriction	Unknown	No visible vehicular access into the site.
Strategic Access Routes to Site Proximity to TLRN / 'A' Roads	Good	Circa 200m from the A2206 Southwark Park Road and 400m from the A2200 Jamaica Road.
Local Access Routes into Site Access restrictions in local roads / proximity to residential property	Acceptable	There is a mix of industrial and residential uses nearby the site. The proximity of residential areas may restrict 24h use.
Managerial Site Availability / Security / Loading Bays etc	Acceptable	The site would rely on on-street loading to accommodate deliveries, which may create issues with other users around the site. However, the site is available and appears secure, albeit there may be a capital cost requirement to upgrade facilities.

Summary

The proposed site is a series of railway arches in the London Borough of Southwark, reported as being disused and dilapidated for at least 10 years. Therefore, significant capital expenditure may be required to upgrade the facilities to a workable standard. Due to the lack of on-site loading opportunities, the site would be more suited to operating as a micro-logistics hub, reliant on use of on-street loading bays. The site is located in close proximity to dense residential areas, supporting this type of use but potentially precluding 24-hour use.





Site 10: Canterbury Crescent Car Parking

Local authority

- Lambeth

Street address

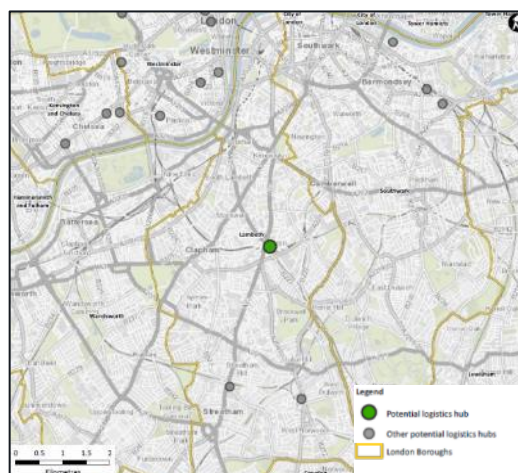
- Canterbury Crescent, SW9 7QE

Description of site

- Surface car park

Site ownership / existing lease agreements

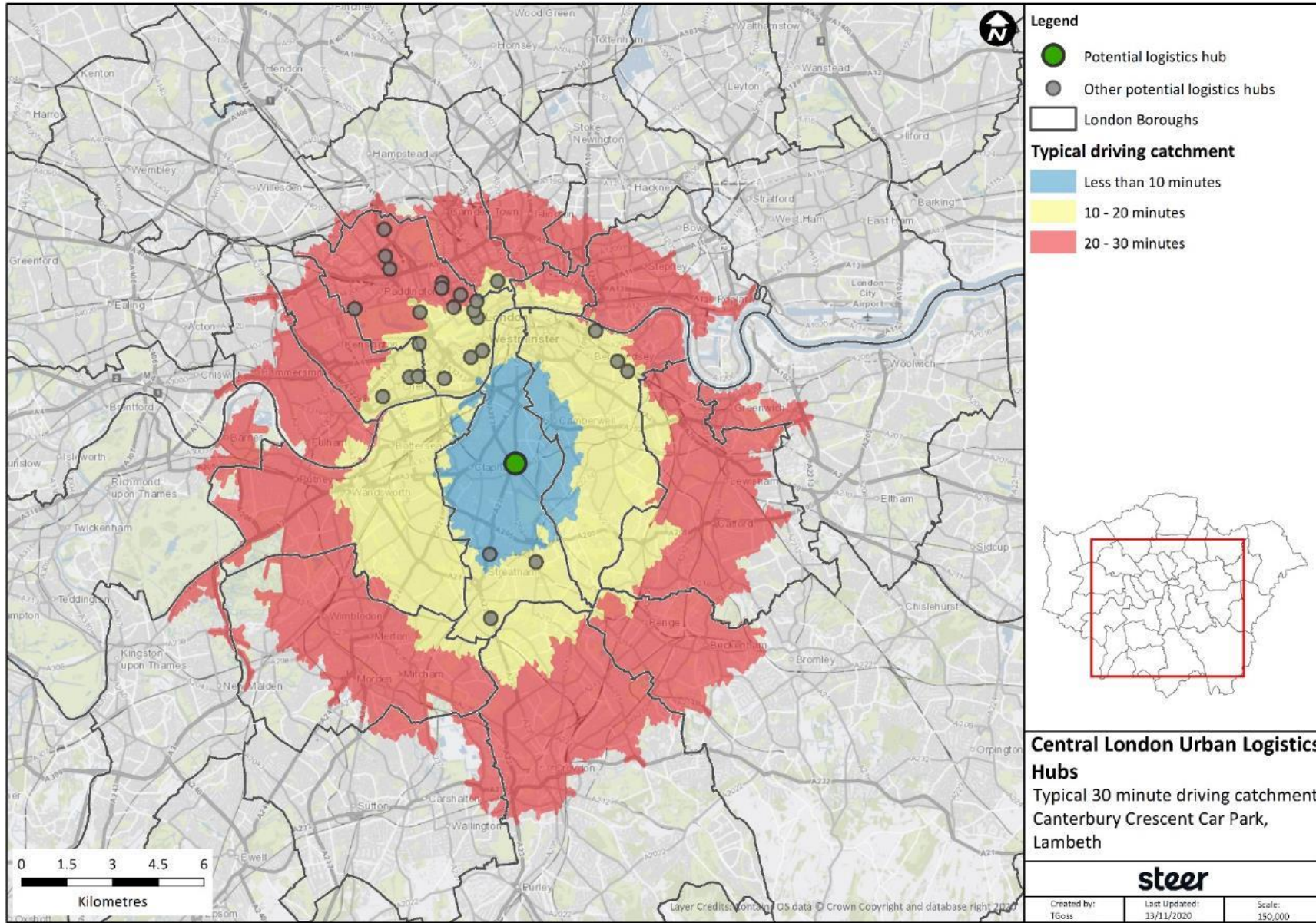
- LB Lambeth

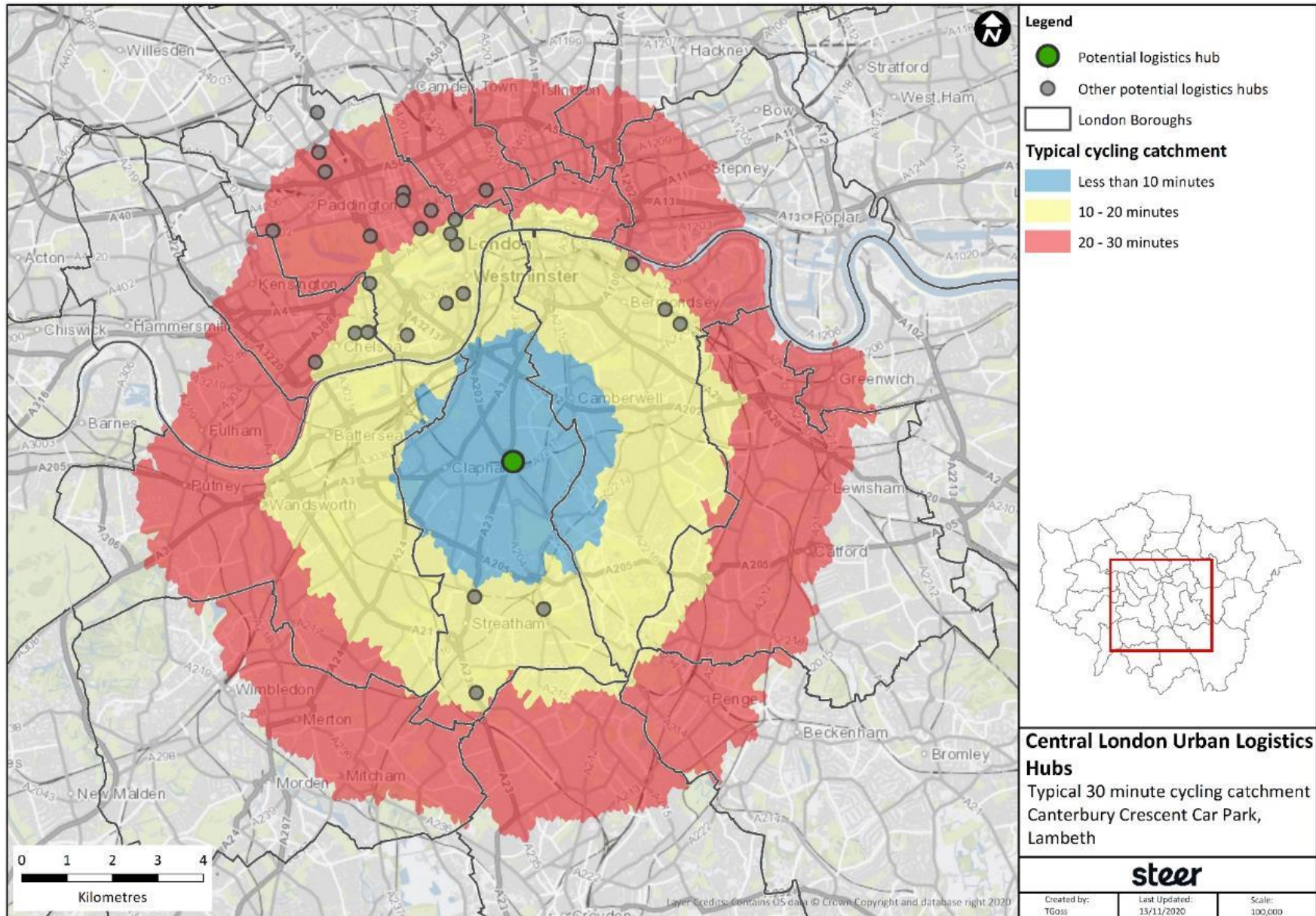


Criteria	Rating	Description
Physical Suitability (Logistics Hub) Vehicle size / facilities / storage space / power supply etc	Poor	Space appears limited for larger logistics operations. Discussions with operators have indicated they are less keen on working from open-air sites such as this.
Physical Suitability (Micro-Logistics Hub) Vehicle size / facilities / storage space / power supply etc	Acceptable	If a storage unit / container could be hosted on-site, it should be well-suited for micro-logistics operations as there appears to be ample space for this type of facility.
Height Restriction	Good	There appears to be no height restriction to access site.
Strategic Access Routes to Site Proximity to TLRN / 'A' Roads	Good	Site access is within 150m of the junction of A23 Brixton Road / A203 Stockwell Road.
Local Access Routes into Site Access restrictions in local roads / proximity to residential property	Acceptable	The site access road is residential, which may not be ideal for access.
Managerial Site Availability / Security / Loading Bays etc	Acceptable	Unsure as to site availability, although suggested by LB Lambeth for consideration. Loading can occur within site, although open-air nature of car park may reduce security and protection for perishable goods.

Summary

The proposed site consists of a surface car park in Brixton in the London Borough of Lambeth. The site has good access to the strategic road network, although access is via local residential roads. There appears to be no height restriction to access the site, however the open-air nature of the site would preclude use for larger logistics operation where loading is preferred under cover and within more secure environment. There would be a capital cost to provide a storage unit or container and ensure a power supply to the site. If this can be installed the site could be well-suited to micro-logistics operations.





Site 11: London Wall Car Park

Local authority

- City of London

Street address

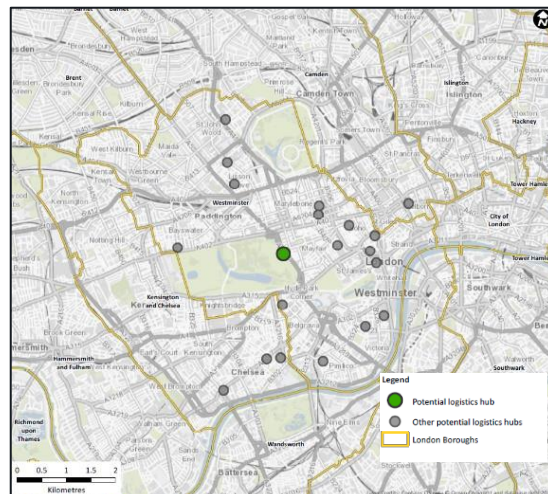
- 23 London Wall, EC2V 5DY

Description of site

- Underground car park

Site ownership / existing lease agreements

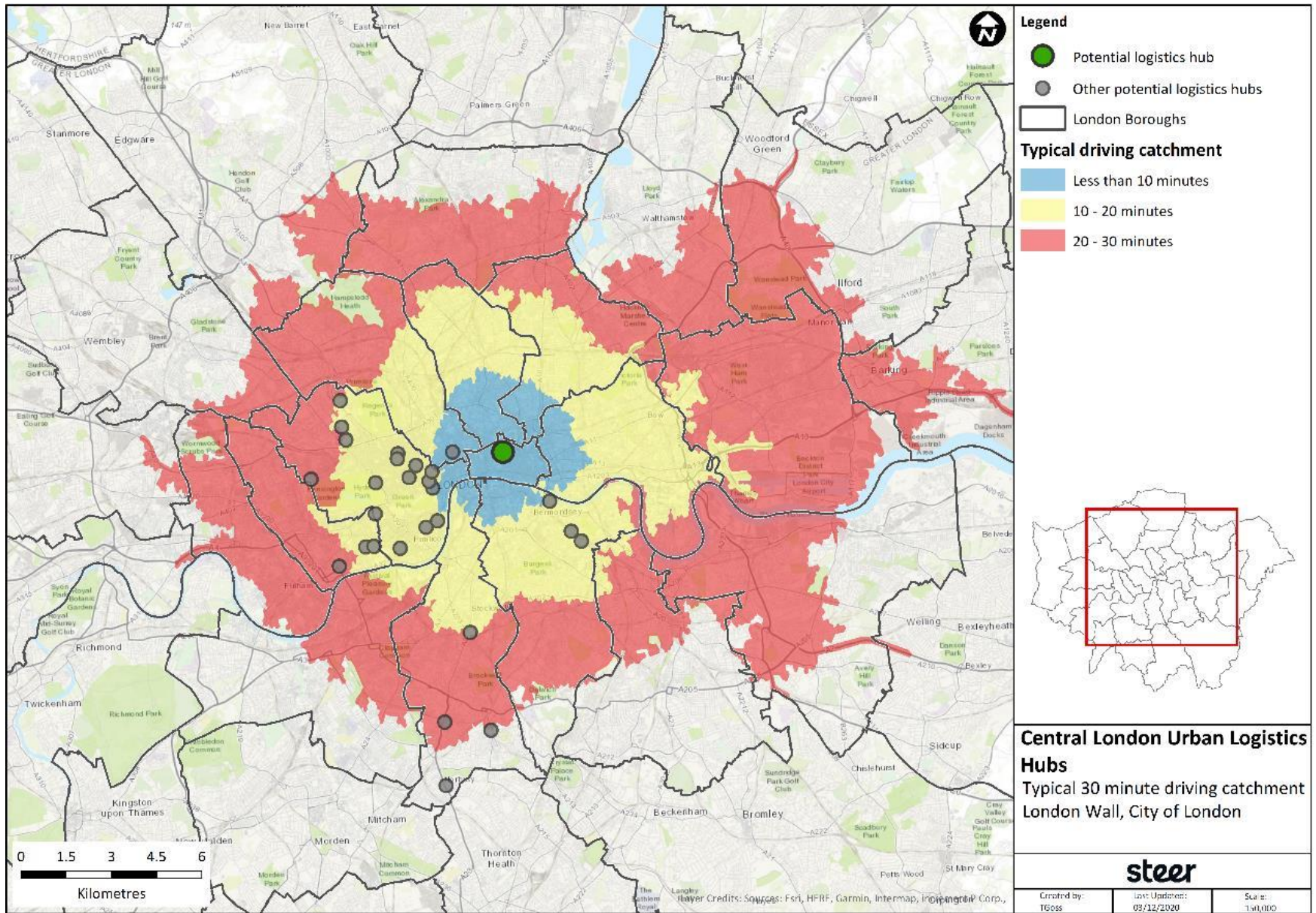
- City of London

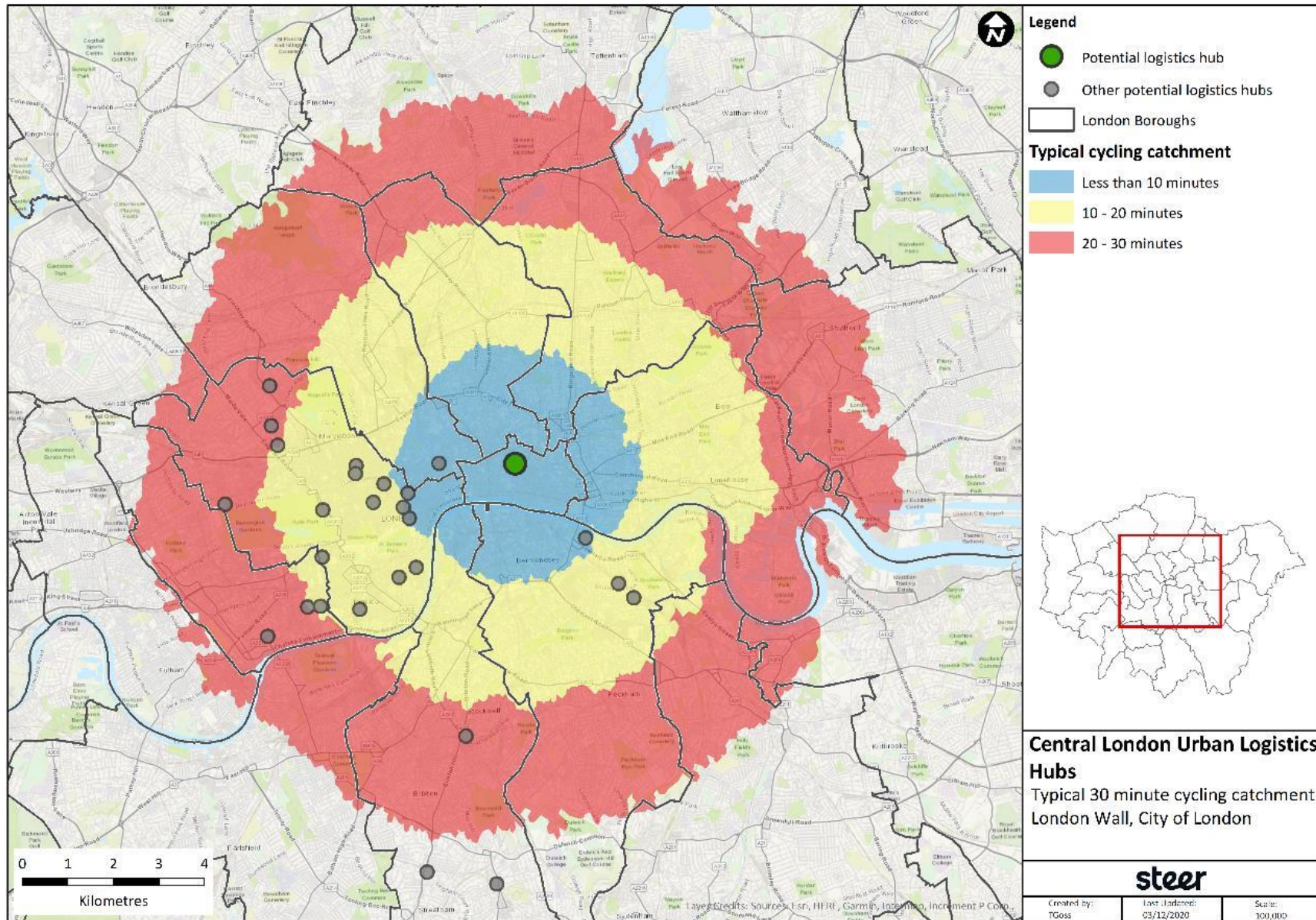


Criteria	Rating	Description
Physical Suitability (Logistics Hub) Vehicle size / facilities / storage space / power supply etc	Acceptable	Based on current occupancy, the available 40 spaces offer a workable but limited space for logistics hub operations. Tight turning radii on the entrance/exit ramp may also limit options.
Physical Suitability (Micro-Logistics Hub) Vehicle size / facilities / storage space / power supply etc	Good	The size of the space would be well-suited to micro-logistics hub operations.
Height Restriction	2.08m	Height restriction will be sufficient to accommodate some vans but not HGVs. There is a 12m loading bay opposite the London Wall entrance.
Strategic Access Routes to Site Proximity to TLRN / 'A' Roads	Good	The is direct access to the A1211 London Wall.
Local Access Routes into Site Access restrictions in local roads / proximity to residential property	Good	No requirement to use local roads to access site. Limited residential development surrounding the site supports potential 24-hour use.
Managerial Site Availability / Security / Loading Bays etc	Good	Site has toilet facilities, which will be made available to operators. The underground nature of the site and existing car park operation provides good security.

Summary

The proposed site is an underground car park located within the City of London. It is believed that there are around car parking 40 spaces available for conversion for urban logistics hub use. The space is likely acceptable for limited logistics hub use, however, it would be better-suited to micro-logistics hub operations. Access to the site is limited by tight turning radii that may not be suitable for larger vehicles. Owing to height restrictions, larger vans and HGVs would need to use the 12m loading bay outside the London Wall entrance. The site has good access to the strategic road network and there is potential for 24-hour use considering minimal residential development surrounding the site.





D Operator interview questions

Interview structure and questions

The following questions were asked in each 30-minute interview:

Overview of operators

- Please can you describe the nature and scale of your operation in London?
- Do you already operate any logistics/consolidation/distribution centres?
- How has Covid-19 impacted your operations?

Site characteristics

- Are you looking to open or work from additional logistics/cargo/cycle hubs within central London? Have you identified any specific sites already?
- Do you have a preference for using any particular type or size of space?
- What do you think are the key factors in terms of location?

Specific operational requirements

- What kind of vehicles would you be looking to use for deliveries to the hub?
- Do you know the minimum height that would be required for access to the facility?
- What are your requirements in terms of storage?
- What hours of operation would you envisage a future site having?

Financial considerations

- Would you expect or need London borough or TfL/Government financial support?
- Do you have a preference as to how long the length of tenancy would be for a hub?
- What would expect to pay per square metre?

Commercial considerations

- Would co-locating/space sharing with other operators be an issue?

Follow-on questions were used to elicit required information where possible, or to provide a prompt for the interviewee. Naturally, impromptu questions and discussions unfolded during interview and where pertinent to this study have been considered as part of this assessment.

E Site assessment and ranking process

Quality criteria assessment

Quality criteria

- E.1 Potential sites were assessed against quality criteria to determine their suitability as an urban logistics hub, which were categorised as follows:
- **Physical suitability (logistics hub)** – the physical suitability of the site to run larger operations involving a fleet of vehicles, including vans and perhaps HGVs, which would require more floor space than a micro-logistics hub. These sites would be suitable for both logistics and micro-logistics.
 - **Physical suitability (micro-logistics hub)** – the physical suitability of the site to run smaller-scale, last mile operations predominantly based on cycle freight (including cargo bikes), which would require less space than a larger logistics hub. These sites would be suitable for micro-logistics only.
 - **Height restriction** – to access the site (if known). Operators stressed that this is a key factor, as below three metres it is impossible for many larger vehicles to access the site and goods would need to first be unloaded and carried into site, which is not efficient.
 - **Strategic access to site** – the sites proximity to the TLRN. Operators stressed this is a key factor, while also acknowledging that generally operations are road-based and proximity to the river or rail network is less of a concern. One operator also stated that level loading bays are a requirement.
 - **Local access routes to site** – ease of access to site via surrounding streets. Vehicles need to be able to easily access the site and do so without having an impact on local residents.
 - **Managerial** – site availability, security, employee access and facilities. The site needs to be functionable in terms of current of potential future operations, while meeting any needs to charge electric vehicles and be safe, secure and accessible for staff.
 - **Financial** – costs and revenue implications. The site needs to be affordable, which needs to consider the capital and operational costs.
- E.2 The above list was informed by knowledge of good practice and previous studies initially, and then refined throughout the project in consideration of the policy review, case study review and engagement with operators. Together, these categories cover the key considerations for choosing a suitable urban logistics hub site.

Assessment

- E.3 Subsidiary criteria assessed under each category included mixture of quantitative and qualitative data, which included interval scales ranging from *very poor* to *very good*, and *short term* to *long term*, for example. These criteria were assessed for each potential site as fully as

possible using the information provided in completed site templates, or else discovered through further desktop investigation.

E.4 The next step was to assess each category as either:

- Good – meeting all criteria;
- Acceptable – meeting some criteria, but not others;
- Poor – meeting few / no criteria; or
- Unknown

E.5 Each of the subsidiary criteria were considered together to reach an overall judgement for each category. For example, if a site had good access to the TLRN, the category *Strategic access to site* was scored 'Good'. Similarly, if there were a mixture of answers including 'Poor', 'Acceptable' and 'Good' professional judgement was made to ensure the most fitting assessment was given.

Ranking

E.6 The details of potential sites were compiled in an assessment framework, which allowed each to be compared against one another. The framework was structured to clearly show the assessment results of sites against each category, as well as commentary provided on the nature of the site, stand out features, strengths and weaknesses.

E.7 Sites were then sorted according to their relative performance against assessment categories, with the best performing site at the top and the worst performing at the bottom. For example, a site that was assessed as 'Good' across all categories would be at the top of the list and one assessed as 'Poor' at the bottom, one with four 'Good' and two 'Acceptable' would be above one with three 'Good' and three 'Acceptable'. Where there were an equal number of values, the site with the highest height restriction was placed above the one with the lowest height restriction.

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