CRP's Lunchtime Launch: Developing the Future of Freight Logistics in London

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City of Westminster

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Today's Speakers

Barry Smith
Head of Policy and Strategy (WEP)
Westminster City Council

Speaker

Julie Bowerman
Director
Steer

Speaker

Susannah Wilks
Director
Cross River Partnership

Chair and Speaker

Laura Jacklin
Senior Project Officer
Cross River Partnership

Speaker

Anusha Rajamani
Project Officer
Cross River Partnership

Chat Moderator

Rachael Aldridge
Project Officer
Cross River Partnership

Technical Lead

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Today's Agenda

1. Introduction to CRP and CLSRTP

2. Westminster's Approach to Freight Servicing & Deliveries – The Role of Urban Logistics Hubs

3. Steer: The Potential for Urban Logistics in Central London - Findings

4. CRP: Next Steps

Have your say:
Q/A session at the end of all the presentations

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Introduction and Context

Susannah Wilks, CRP

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Our Vision

People

Work with engaged people, connecting stakeholders to successfully collaborate and deliver

Places

Deliver great places, sharing best practice whilst ensuring all businesses are supported to grow sustainably

Projects

Deliver innovative projects for partners encouraging businesses to shift from incremental to permanent change, whilst inspiring others to do more at pace

Working towards sustainable businesses and improving air quality.

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CRP's Major Funders

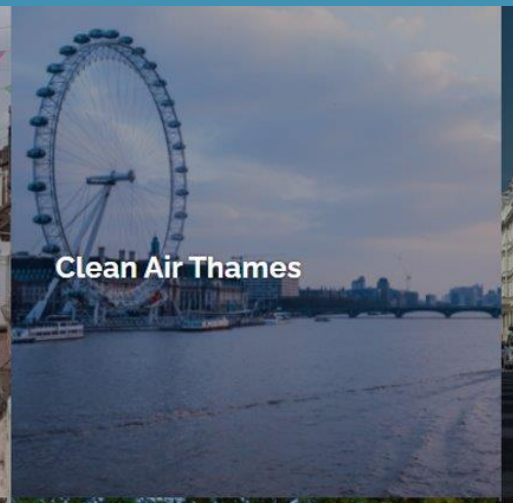
Department for Environment Food & Rural Affairs

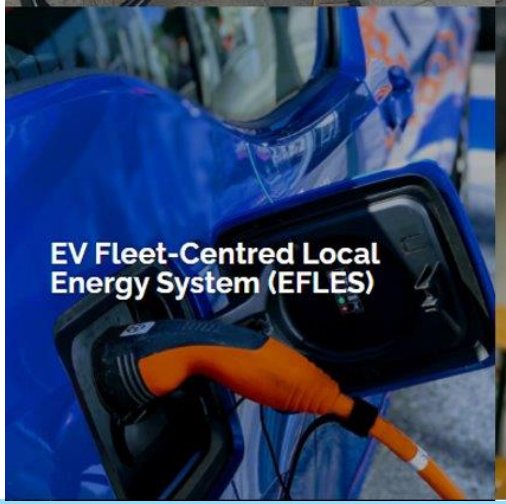
INDUSTRIAL STRATEGY

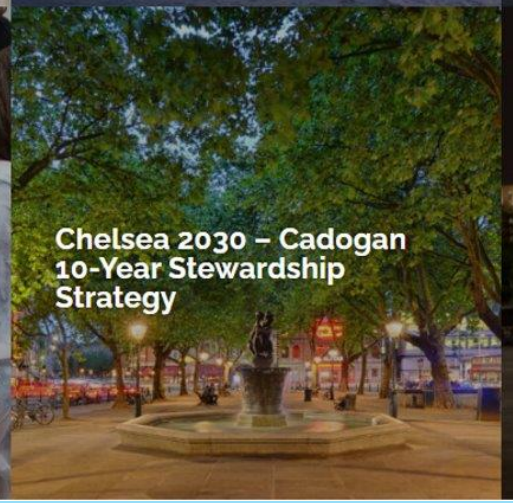
MAYOR OF LONDON

Transport for London

CRP Projects







Central London Sub-Regional Transport Partnership (CLSRTP)

Westminster's Approach to Freight Servicing & Deliveries – The Role of Urban Logistics Hubs

Barry Smith, Westminster City Council

City of Westminster

Context (Pre-COVID-19)

Resident population: 250,000
Businesses: 55,000
Jobs: 750,000

- Huge demands on the FSD sector
- WCC has committed to **becoming carbon neutral by 2030**
- Eradicating all killed and seriously injured (KSI) collisions by 2041
- **Reducing, Re-moding and Re-timing & Urban Logistics Hubs**

Context (Post-COVID-19)

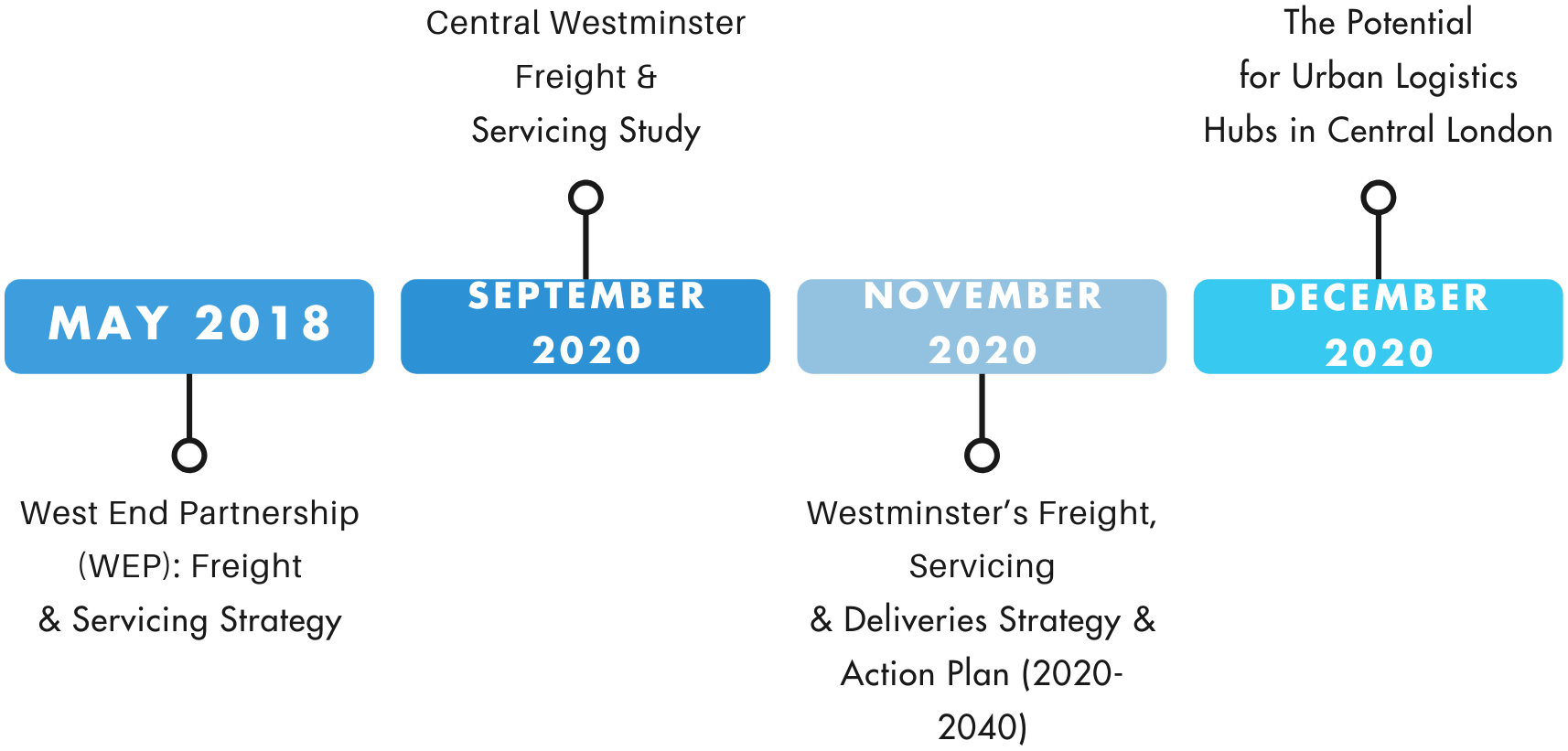
- COVID-19 has **accelerated trends that were already happening** … more retail shifting online, retailers re-imagining commercial premises

- **More B2C deliveries than B2B (businesses/workplace)**. Parcel carriers, who have experienced significant growth in volumes, now looking for more effective distribution options

- Zero emission delivery services/use of e-cargo bikes has grown. Demonstrated that cargo bikes/e-cargo bikes have a role in **B2C & B2B transactions**

Local Evidence Base

Since 2018, Westminster has commissioned or participated in four studies/strategies, providing a robust local evidence base and justification for action and intervention. **All support of these support the approach/concept of Urban Logistics/Micro-Distribution Hubs in Central London:**



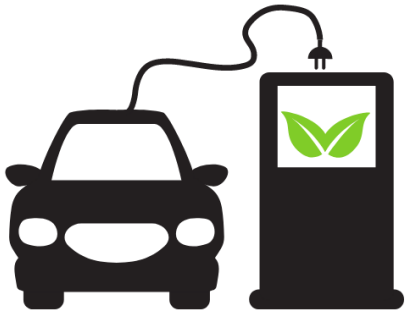
FSD: Objective and Targets

Westminster's 20-year FSD Strategy and Action Plan sets **two key objectives:**

- **Reductions in the numbers and emissions from vehicle movements**
- **Eliminate all Killed and Serious Injury casualty related collisions by 2041**

Proposed targets:

1. The **absolute numbers of freight, servicing and delivery vehicles in Westminster will be reduced by 80% by 2040**



2. **All trips made by freight, servicing & delivery vehicles** in Westminster will be **zero emission by 2040**

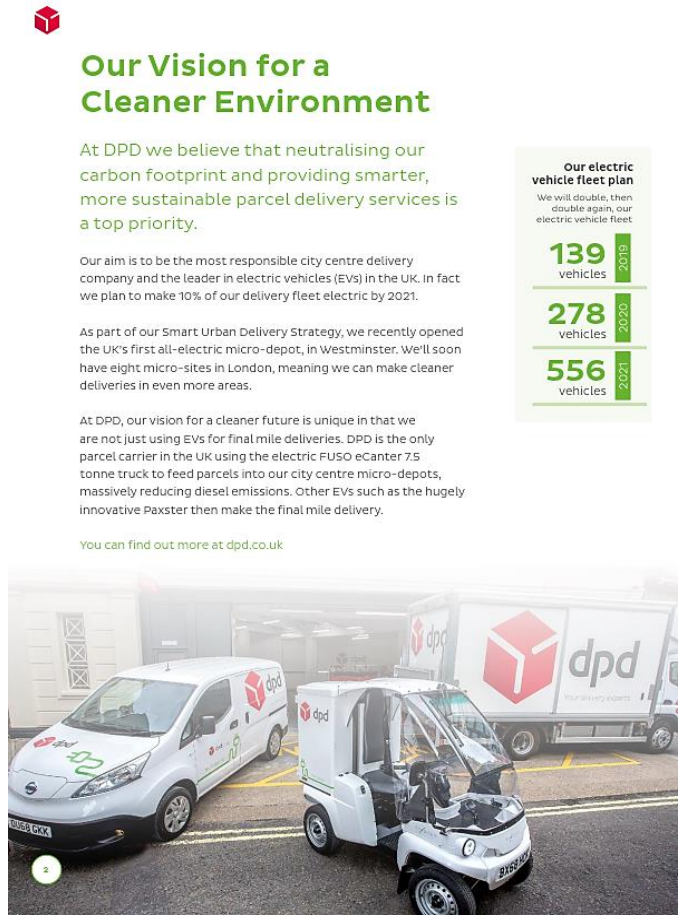
3. The Council will work towards the **Vision Zero target to eradicate all FSD related KSI collisions by 2041**

Urban Logistics Hubs in Westminster

- **DPD Westminster**
  - Close to St. James's Park Underground Station, TfL brokered deal
  - The UK's first all-electric parcel depot with both last mile deliveries and the in-feed being completed by zero emission electric vehicles.

- **DPD Hyde Park/Park Lane Car Park**
  - Westminster Car Park, managed by Q-Parks, brokered by Westminster Council and DfT
  - Strong political support as well as support from the WEP and major landowners and BIDS.

- **Two of DPDs three micro-depots in London are in Westminster**
  - DPD looking to expand this network to eight in total as suitable sites become available.



Our Vision for a Cleaner Environment

At DPD we believe that neutralising our carbon footprint and providing smarter, more sustainable parcel delivery services is a top priority.

Our aim is to be the most responsible city centre delivery company and the leader in electric vehicles (EVs) in the UK. In fact we plan to make 10% of our delivery fleet electric by 2021.

As part of our Smart Urban Delivery Strategy, we recently opened the UK's first all-electric micro-depot, in Westminster. We'll soon have eight micro-sites in London, meaning we can make cleaner deliveries in even more areas.

At DPD, our vision for a cleaner future is unique in that we are not just using EVs for final mile deliveries. DPD is the only parcel carrier in the UK using the electric FUSO eCanter 7.5 tonne truck to feed parcels into our city centre micro-depots, massively reducing diesel emissions. Other EVs such as the hugely innovative Paxster then make the final mile delivery.

You can find out more at dpd.co.uk

Our electric vehicle fleet plan

We will double, then double again, our electric vehicle fleet

139 vehicles 2019

278 vehicles 2020

556 vehicles 2021

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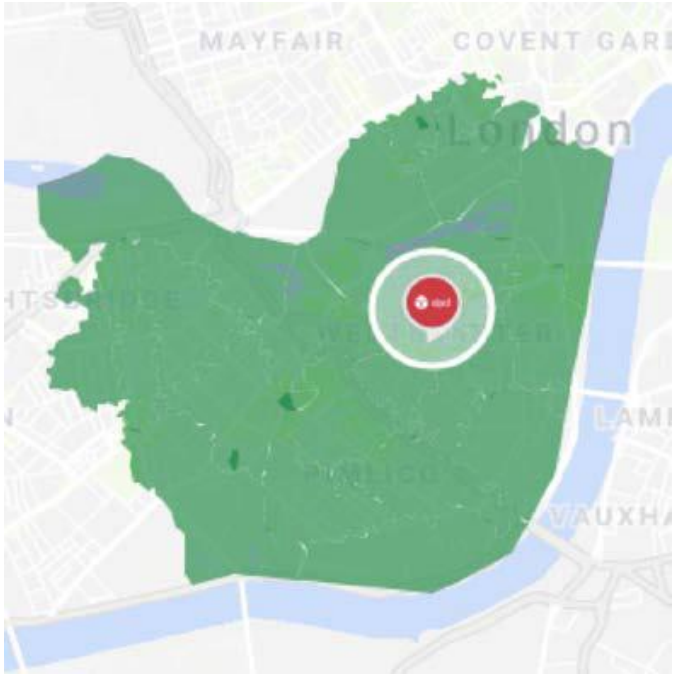
Westminster's Urban Logistics Hubs: Locations



Westminster | 5,000ft^2

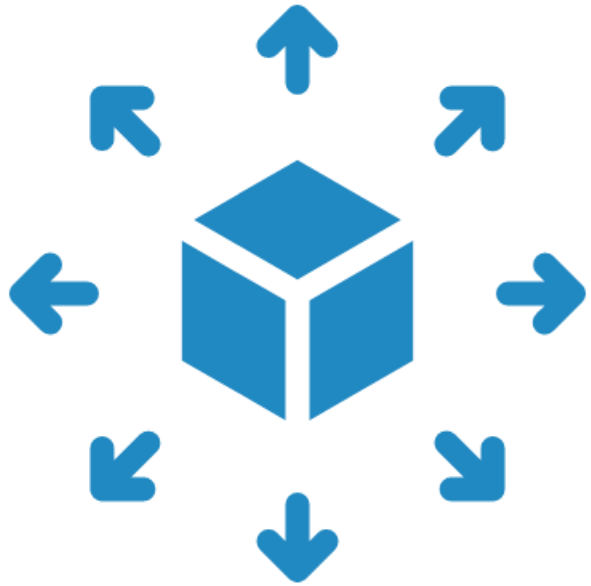
c. 2,000 daily parcel capacity
Postcodes
SW1A, SW1E, SW1H, SW1P, SW1V, SW1W, SW1X, SW1Y
Opening volume of 1,000 parcels per day

Hyde Park | 8,500ft^2

c. 7,000 daily parcel capacity
Postcodes
All W1, WC1, WC2
Opening volume of 1,500 parcels per day

Going Forward

- Strong political will for more Urban Logistics Hubs
- Co-location and sharing of facilities
- FSD Strategy encourages provision of Hubs within Council's own property holdings
- Potential for Urban Logistics Hubs to be used in the F&B, servicing and construction sectors
- Model specifications for Hubs factored into planning process and provided through development opportunities
- Joined up working, information sharing and best practice



The Potential for Urban Logistics Hubs in Central London

Julie Bowerman, Steer

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The Potential for Urban Logistics Hubs in Central London

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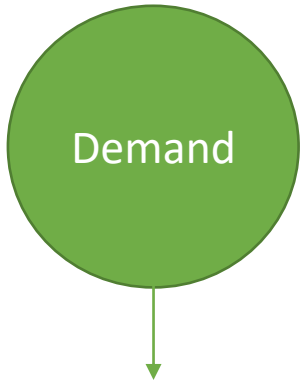
Introduction

This report was created to identify potential sites for urban logistics hubs in central London and to develop an understanding of the market demand for such facilities.

Two primary stages of work:

Identifying suitable sites for urban logistics hubs

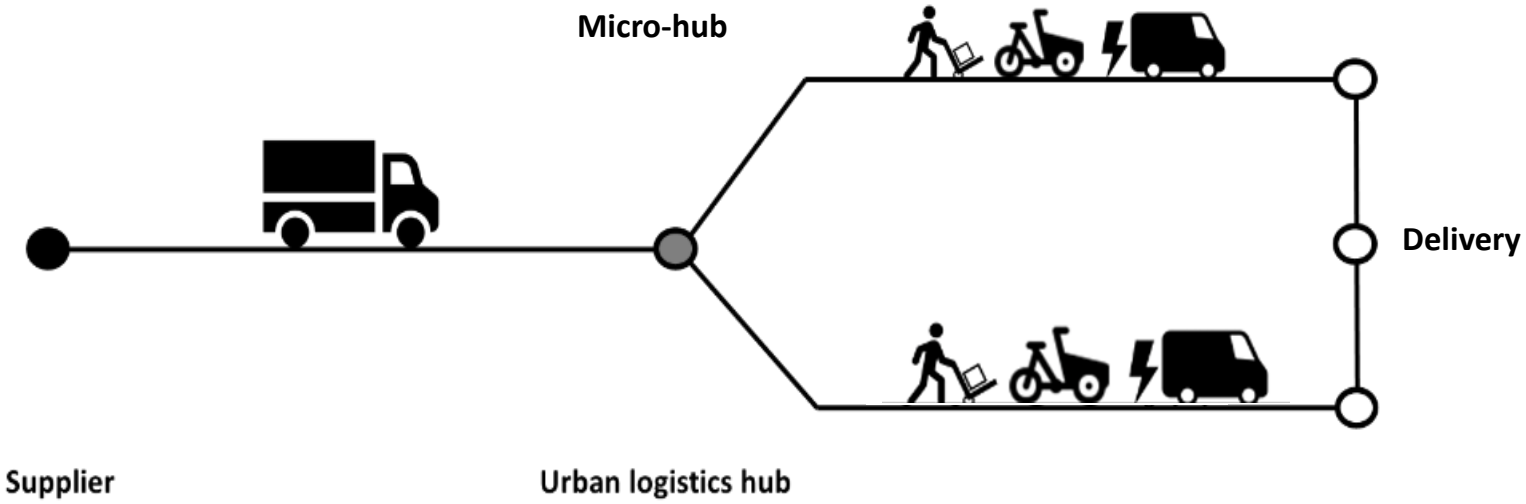


Understanding operator requirements

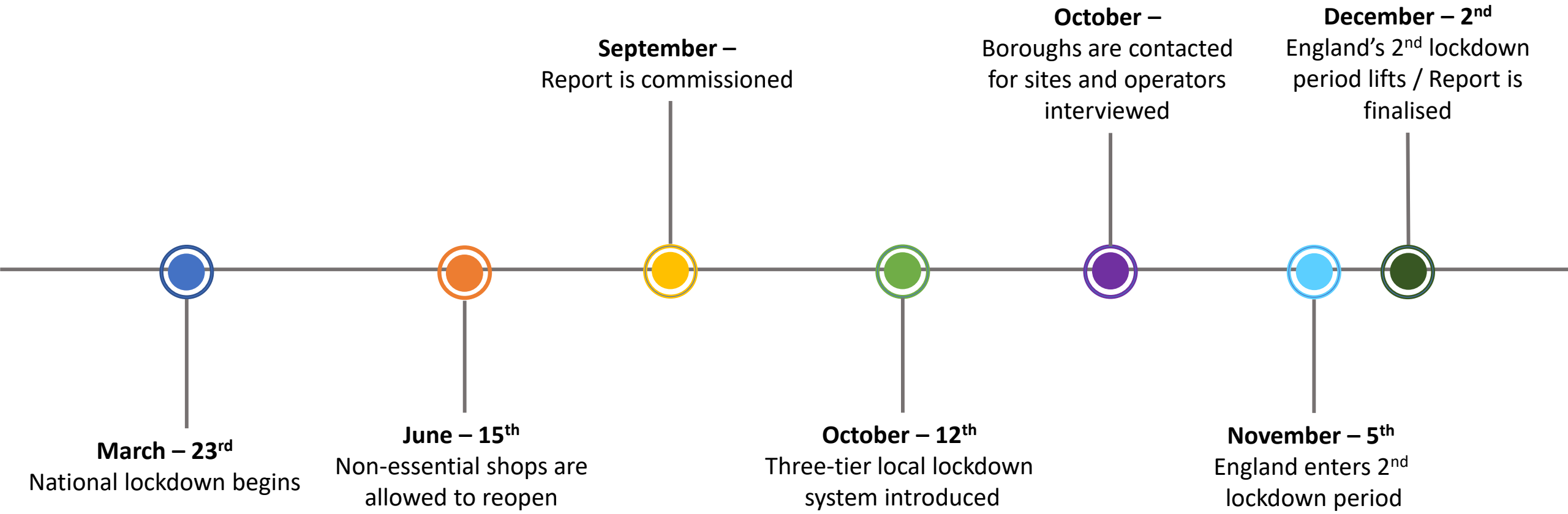
Definitions

What are urban 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.

What are micro-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.



2020 Project Timeline



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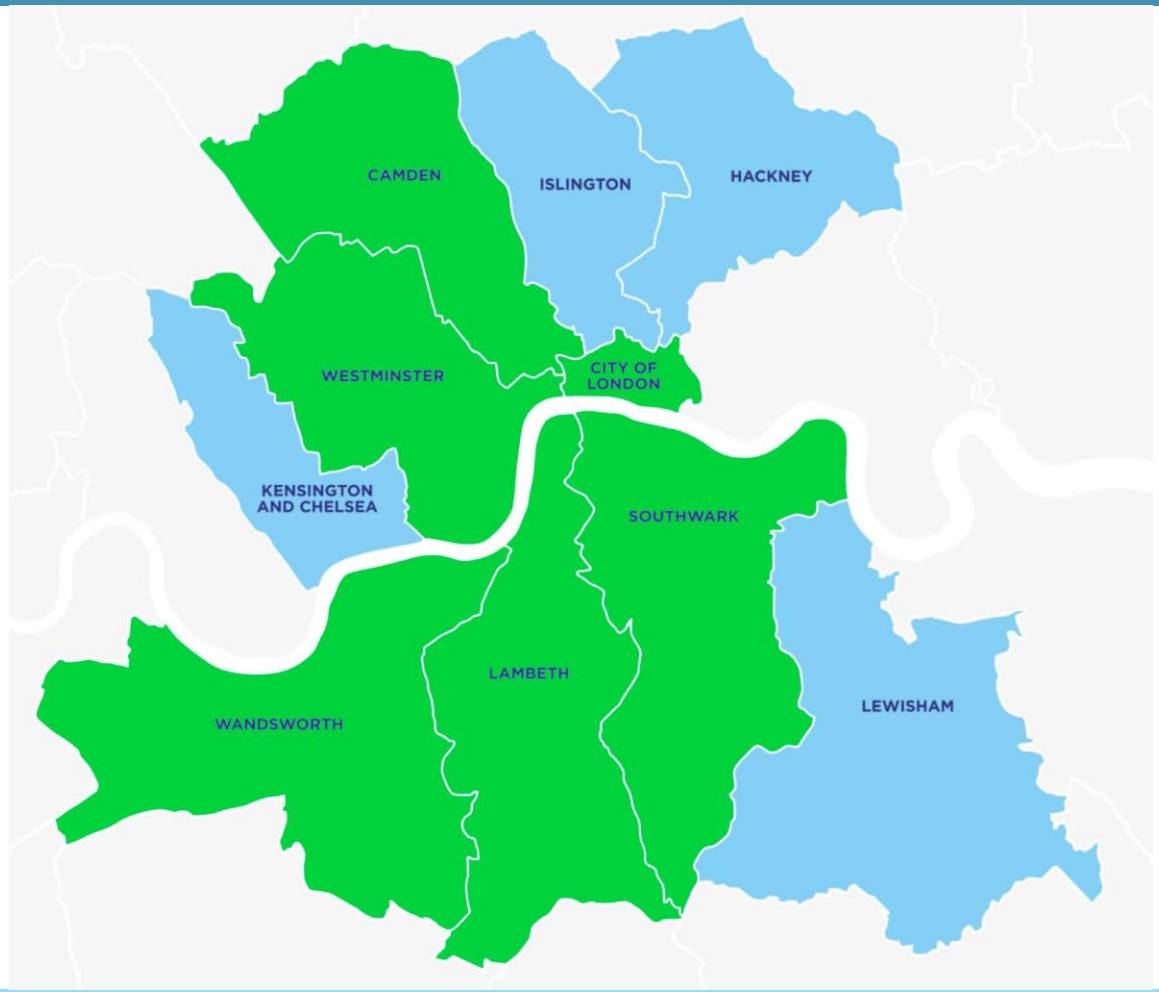
Who is involved?



CLSTRP Boroughs

Boroughs involved in the study.

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Policy review

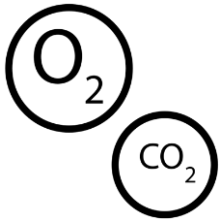
National Policies	Regional Policies	Sub-Regional Policies	Local Policies
National Planning Policy Framework, Ministry of Housing, Communities and Local Government (2019) **Planning Practice Guidance on Housing and Economic Needs Assessment**, Ministry of Housing, Communities and Local Government (2019) **Better Delivery: The Challenge for Freight,** National Infrastructure Commission (2019)	**Draft London Plan,** Greater London Authority (2019) **Mayor's Transport Strategy,** Transport for London (2018) **Freight & Servicing Action Plan**, Transport for London (2019)	**Freight & Servicing Strategy,** West End Partnership (WEP) (2018)	**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)

all of these policies were published pre-Covid.

Policy review

Policies highlighted the following broad objectives that the introduction of last mile cargo / cycle hubs will support:

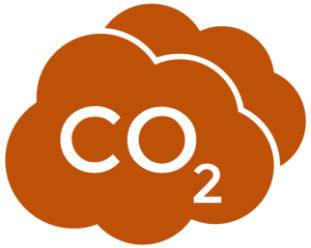
To reduce the number of delivery and servicing vehicles in central London



To improve air quality

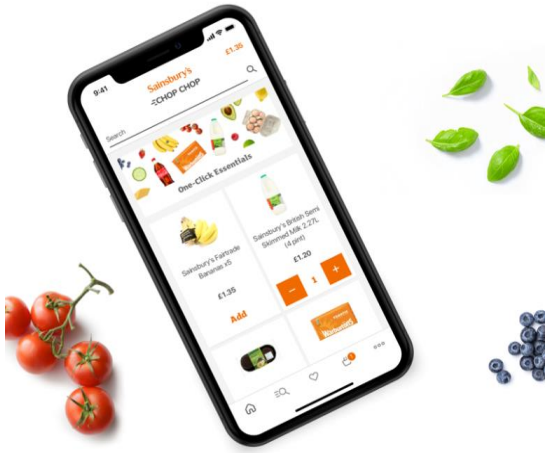
To improve road safety

To reduce congestion



To work towards borough-wide net zero carbon emissions by 2050 (at the latest).

Case studies



International case studies were also researched.

Case studies

The benefits of these hubs have included:

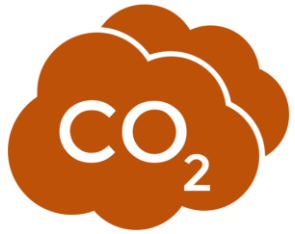
Reduced overall vehicle mileage

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

Overall reduction in business costs, largely achieved through reduced fuel costs.

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Case studies

Common success factors included:

Achieving sufficient volume of deliveries.

Suitable local policy and regulatory context.

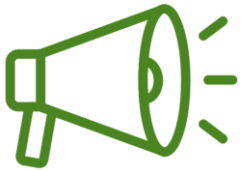
Appropriate type of business (end user), i.e. goods received.

Understanding the motion for end users.

Provision of public funding / support.

Offering additional services, including storage.

Professionalism of the operator.



Promoting the facility.

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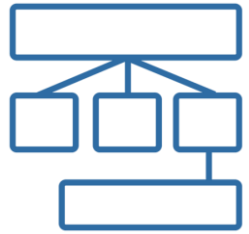
Case studies

Common barriers identified:

Finding suitable industrial space in the right location

Limitations of low emission delivery vehicles for longer distance journeys, either in terms of battery range for electric vehicles, or reasonable distance for cycles and cargo bikes.

Logistics systems lacking tracking information.



Difficulties navigating different policy and regulatory frameworks, including differences between local authorities in London.

High cost of land and/or lease, which can be prohibitive. This is a key issue in London.

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Engagement with operators

Steer engaged with a variety of operators, ranging from **smaller firms** focused primarily in central London, to **large companies** with multinational supply chains.

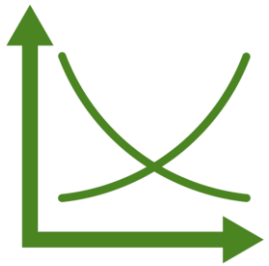
The wide range of operations represented across participants **offered key insights** into the current market and requirements at varying scales.

Operator	Main location of operations
DPD	International
UPS	International
Zedify	UK, various locations
Gophr	UK, various locations
Ecofleet	London
Mango Logistics	London
CEVA Logistics	International
Clipper Logistics	Europe, Headquarters in Leeds

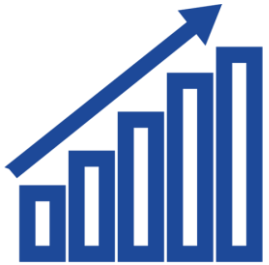
15 operators contacted

8 agreed to interviews

The Impact of Covid-19



Measurable impact on the logistics sector
> Negative - dip in demand initially and the need to quickly respond to changed market
> Positive - continued high demand for home deliveries



Number of deliveries ***reduced at the start of the first UK lockdown***. Demand has since recovered and remained at levels only seen previously around Black Friday and Christmas peaks.

Operators described significant shift from ***business-to-business to business-to-consumer deliveries.***

Integration of ***contactless delivery, retraining staff and responding to the large fluctuations in levels of traffic*** as restrictions vary.

Accelerated trends that were already happening, ***with retail shifting online and retailers having to reimagine how commercial premises are used***.

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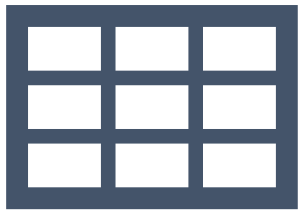
Model specifications for logistics hubs and micro-logistics hubs

Space



Location

Access

Lease / Contractual

Security

Other

Engagement summary

1. Operations widely varied in scale

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***

3. Operators are ***all actively looking for new sites***

4. Operators are primarily ***concerned with access to the road network***

5. ***Sites are not used to store goods***

6. Local authorities and clients are pushing for use of electric vehicles

7. Key site considerations: ***security, height restrictions and access***

8. Operators are generally ***happy to co-locate***

9. For larger operations, leases above five years are preferred. Smaller operators prefer shorter leases

10. Operators would like more financial support from central and local government and transport bodies.

Overview of insights

Key operator issues	Operator type		
	Small, last mile distribution	Medium, general logistics	Large, nationwide operators
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 2000 sq.ft.	✓		
Ideal minimum floor space of 5000 sq.ft.		✓	✓

Next Steps

Laura Jacklin, CRP

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Site identification

To identify potential urban logistics hub sites across London, a template with the below information was distributed to Local Authorities, landowners, businesses and Business Improvement Districts (BIDs).

Site information

Managerial

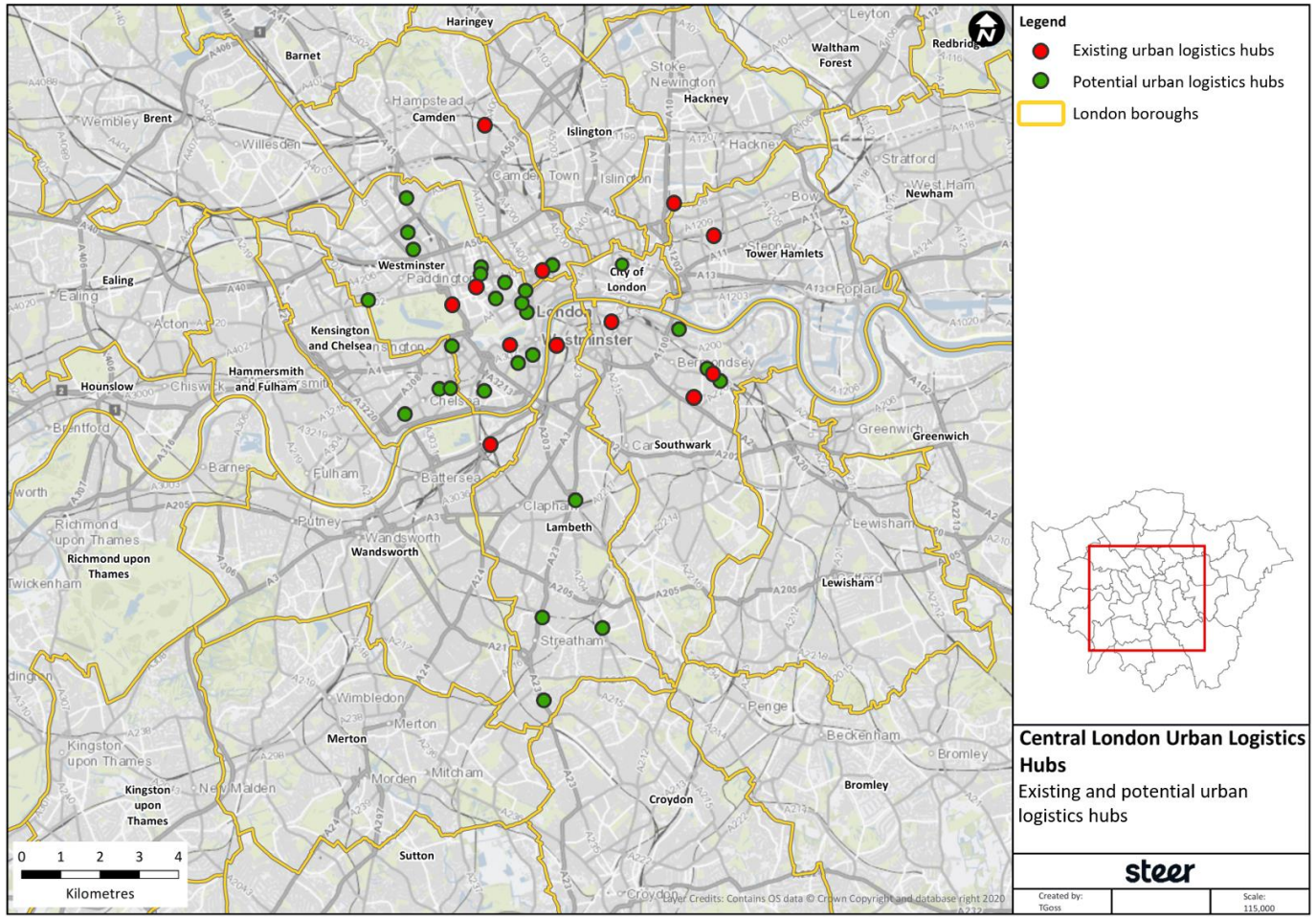
Commercial

Physical

Financial

Anticipated risks

Identified sites



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Identified sites ranked

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
1	Southwark	Galleywall Trading Estate	Industrial unit	Good	Good	Good	Good	Good	Good
2	Westminster	Westminster Q-Park	Underground car park	Good	Good	2.13m	Good	Good	Good
3	Westminster	Marble Arch / Park Lane Q-Park	Underground car park	Good	Good	2.08m	Good	Good	Good
4	Westminster	St Johns Wood Q-Park	Underground car park	Good	Good	2.00m	Good	Good	Good
5	Westminster	Oxford Street (Cavendish Sq) Q-Park	Underground car park	Good	Good	1.95m	Good	Good	Good
6	Westminster	Queensway Q-Park	Underground car park	Good	Good	1.98m	Good	Good	Good

Identified sites ranked

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
7	Westminster	Trafalgar Q-Park	Underground car park	**Good**	**Good**	**1.95m**	**Good**	**Good**	**Good**
8	City of London	Middlesex Street Estate Car Park	Underground car park	**Good**	**Good**	**6.00m**	**Good**	**Acceptable**	**Good**
9	City of London	London Wall Car Park	Underground car park	**Acceptable**	**Good**	**2.08m**	**Good**	**Good**	**Good**
10	Westminster	Burlington Street Q-Park	Underground car park	**Good**	**Good**	**2.08m**	**Acceptable**	**Good**	**Good**
11	Westminster	Leicester Square Q-Park	Underground car park	**Acceptable**	**Good**	**1.83m**	**Good**	**Good**	**Good**

Identified sites ranked

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
12	City of London	Barbican Trading Estate Access	Underground car park	**Good**	**Good**	**5.60m**	**Acceptable**	**Acceptable**	**Good**
13	Westminster	Church Street Q-Park	Underground car park	**Acceptable**	**Good**	**1.98m**	**Acceptable**	**Good**	**Good**
14	RBKC	37 Kings Road	Underground car park and servicing area	**Acceptable**	**Good**	**1.95m**	**Good**	**Good**	**Acceptable**
15	RBKC	Cavalry Square Garages	Underused garages	**Acceptable**	**Good**	**Unknown**	**Good**	**Good**	**Acceptable**
16	Westminster	Lisson Gove	Underground car park	**Poor**	**Good**	**Unknown**	**Good**	**Good**	**Poor**

Identified sites ranked

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
17	Westminster	Victoria Q-Park	Underground car park	Acceptable	Good	2.10m	Poor	Good	Good
18	Westminster	Pimlico Q-Park	Underground car park	Acceptable	Good	1.90m	Poor	Good	Good
19	Lambeth	Ryan Court Car Parking	Underused garages	Acceptable	Acceptable	Unknown	Good	Good	Acceptable
20	Westminster	Soho Q-Park	Underground car park	Acceptable	Good	1.98m	Acceptable	Acceptable	Good
21	Southwark	Tower Bridge Q-Park	Multi-storey car park	Acceptable	Good	1.95m	Acceptable	Acceptable	Good
22	Southwark	Blue Anchor Lane Railway arches	Railway Arches	Poor	Good	Unknown	Good	Acceptable	Acceptable

Identified sites ranked

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
23	RBKC	Argyll Mansions	Surface car parking	Poor	Acceptable	Unknown	Good	Good	Acceptable
24	Lambeth	Canterbury Crescent Car Park	Surface car parking	Poor	Acceptable	Good	Good	Acceptable	Acceptable
25	Lambeth	Waylett Place Car Park	Surface car parking	Poor	Acceptable	Unknown	Good	Poor	Acceptable
26	Lambeth	Leigham Court Road Car Park	Surface car parking	Poor	Acceptable	Unknown	Good	Poor	Acceptable
27	Westminster	Chinatown Q-Park	Underground car park	Poor	Acceptable	1.98m	Acceptable	Acceptable	Acceptable
28	Westminster	Harley Street Q-Park	Underground car park	Poor	Acceptable	1.85m	Poor	Acceptable	Acceptable
29	RBKC	Knightsbridge Q-Park	Underground car park	Poor	Poor	1.83m	Acceptable	Poor	Acceptable

Details of 11 sites explored

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

Example – Westminster Q-Park (LA)

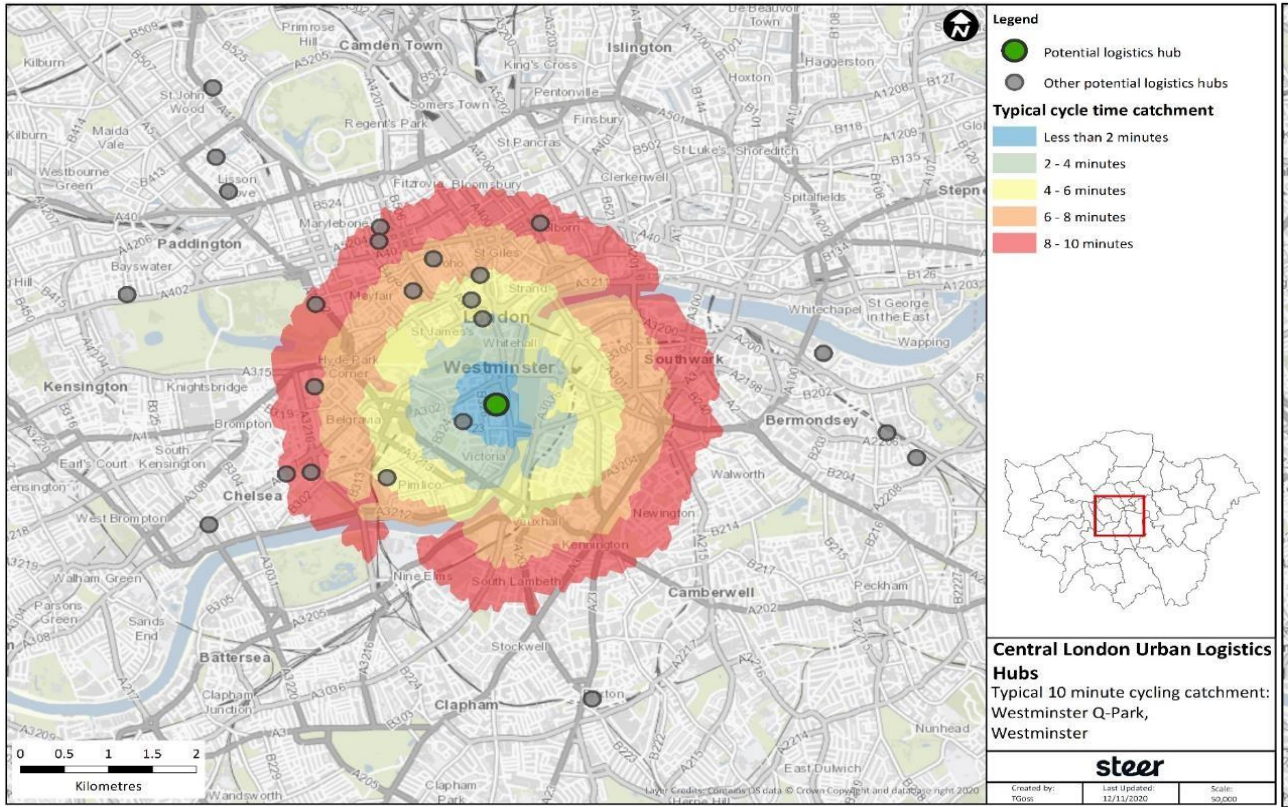
Local authority - Westminster
Street address - Great College Street, SW1P 3RX
Description of site - Underground car park
Site ownership/existing lease agreements - Q-Park

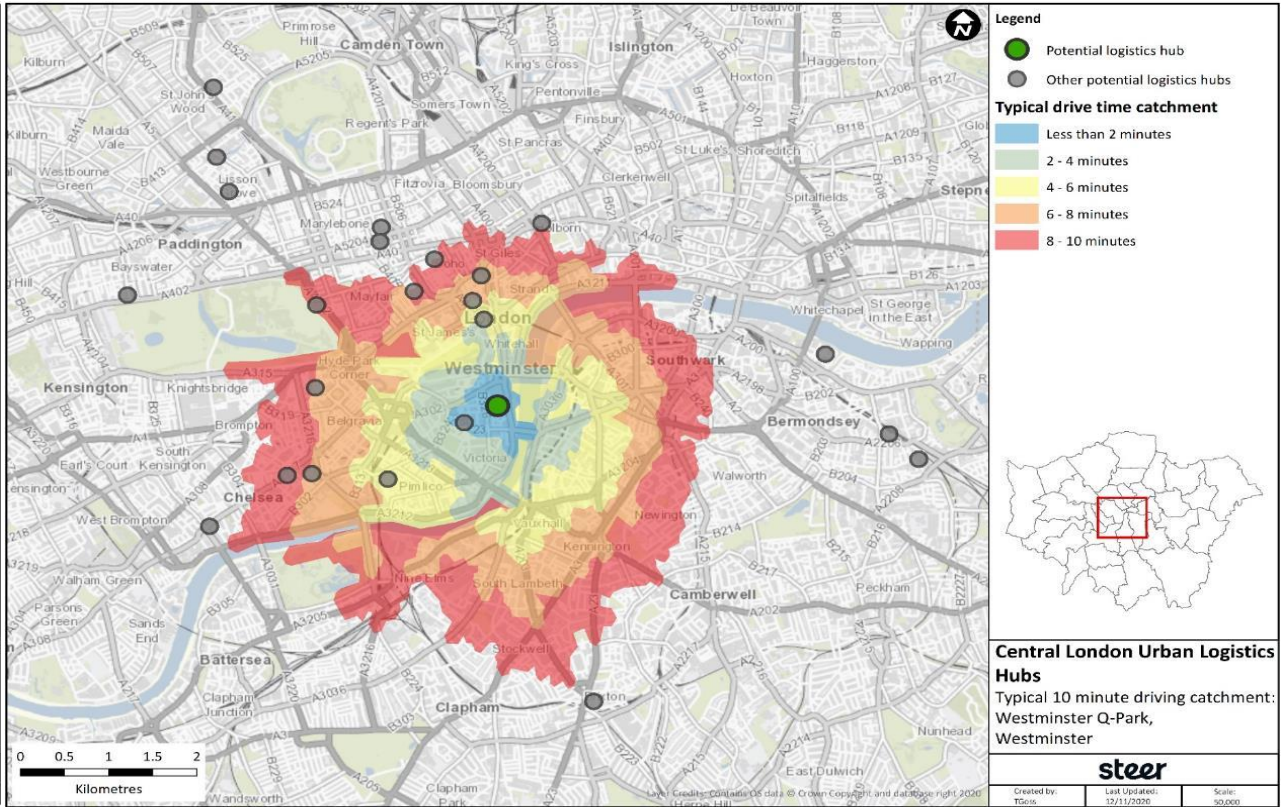
Summary

- Underground car park located within the boundary of Westminster City Council
- Accommodates total of 183 car parking spaces
- Acceptable height clearance making it suitable for use a logistics hub.
- Q-Park has stated that it will be accommodating to any potential user
- Given proximity to the Palace of Westminster, there may be security concerns regarding storage of certain goods

Criteria	Rating
Physical Suitability (Logistics Hub) Vehicle size / facilities / storage space / power supply etc	Good
Physical Suitability (Micro-Logistics Hub) Vehicle size / facilities / storage space / power supply etc	Good
Height Restriction	2.13m
Strategic Access Routes to Site Proximity to TLRN / 'A' Roads	Good
Local Access Routes into Site Access restrictions in local roads / proximity to residential property	Good
Managerial Site Availability / Security / Loading Bays etc	Good

Example – Westminster Q-Park (LA)





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Example – Blue Anchor Lane Railway Arches (BID)

Local authority - Southwark
Street address - Blue Anchor Lane, SE16 3UL
Description of site - Disused railway arches
Site ownership/existing lease agreements - ArchCo

Summary

- Disused and dilapidated railway arches for at least 10 years.
- Significant capital expenditure may be required to upgrade the facilities.
- Lack of on-site loading opportunities.
- Site would be more suited to operating as a micro-logistics hub.
- The site is located in close proximity to dense residential areas, potentially precluding 24-hour use.

Criteria	Rating
Physical Suitability (Logistics Hub) Vehicle size / facilities / storage space / power supply etc	**Poor**
Physical Suitability (Micro-Logistics Hub) Vehicle size / facilities / storage space / power supply etc	**Good**
Height Restriction	**Unknown**
Strategic Access Routes to Site Proximity to TLRN / 'A' Roads	**Good**
Local Access Routes into Site Access restrictions in local roads / proximity to residential property	**Acceptable**
Managerial Site Availability / Security / Loading Bays etc	**Acceptable**

Example – 37 Kings Road (Landowner)

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

Summary

- Reasonably-sized basement car park and servicing area.
- Direct access to the strategic road network.
- Height restriction will prevent larger vehicles being able to access the site directly.
- More suitable for use as a micro-logistics hub.

Criteria	Rating
Physical Suitability (Logistics Hub) Vehicle size / facilities / storage space / power supply etc	Acceptable
Physical Suitability (Micro-Logistics Hub) Vehicle size / facilities / storage space / power supply etc	Good
Height Restriction	1.95m
Strategic Access Routes to Site Proximity to TLRN / 'A' Roads	Good
Local Access Routes into Site Access restrictions in local roads / proximity to residential property	Good
Managerial Site Availability / Security / Loading Bays etc	Acceptable

Next steps

Template of criteria for use of space for logistics

Online tool to showcase available spaces

Engage with all stakeholders who have underutilised space

CLSRTP Freight Studies 20/21

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Useful Downloads & Links

- The Potential for Urban Logistics Hubs in Central London
  Executive Summary - December 2020
- Roles for London's Centres Project Brief
  Project Brief - November 2020
- Enabling Last Mile Cycle Logistics
  Report - May 2020
- CLSRTP Funding Innovation Report
  Innovations in transport funding opportunities
- Cycling Logistics
  A best practice assessment and recommendations report for increasing uptake of cycle logistics
- London Streetspace Plan - 2020 (COVID response)
  Interim Guidance for Boroughs
- Car Free Zones in Central London - 2020 (COVID response)

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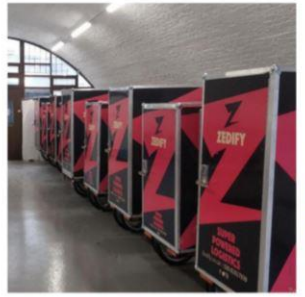
Final report
December 2020

The Potential for Urban Logistics Hubs in Central London



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Thank You!

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