**London Plan Examination in Public: Question M63 (Freight, Deliveries and Servicing)**

This written response to question M63 (Freight, Deliveries and Servicing) – for Examination in Public: Tuesday 19 March 2019 at 14:00 is submitted on behalf of the academic partners of the Freight Traffic Control (FTC) 2050 project comprising:


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**Comments on Policy T7**

**Point A** states that *"Opportunity Area Planning Frameworks, Area Action Plans and other area-based plans should include freight and servicing strategies….Such strategies should be developed through policy or through the formulation of a masterplan for a planning application".*

At present, the datasets and methods used to calculate the freight and servicing vehicle trip generation rates associated with Opportunity Area Planning Frameworks, Area Action Plans and other area-based plans (and for any individual planning application for that matter) are unfit for purpose and result in underestimations of the vehicles trips associated with the operational phase of the development.

The lack of local authority resources prevent underestimates of freight and servicing vehicle trip rates in planning applications receiving the degree of scrutiny that is necessary. This results in developments receiving approval without the freight infrastructure and operations being included in such schemes that are required to ensure that such operations are sustainable in traffic and environmental terms. Instead, these schemes lead to vehicle queuing at peak times, more on-street loading and unloading than anticipated and provided for, greater impacts on the public road network within and surrounding the development, and too little emphasis on how sustainable logistics operations can be put in place to reduce total and peak-time vehicle trip generation (through initiatives such as collaborative procurement, delivery retiming, off-site consolidation, and logistics concierge services within large buildings), and to encourage the use of clean vehicles and fuel sources.

In **point A2**, seeking to *"coordinate the provision of infrastructure and facilities to manage freight and servicing at an area-wide level"* is an insufficient aspiration. For any major area-wide development, active allocation and designation of logistics infrastructure is required to mitigate against the negative impacts arising from the freight and servicing needs of the development and the associated vehicle trip generation.

**Point F** states that *"Development proposals should facilitate sustainable freight and servicing, including through the provision of adequate space for servicing and deliveries off-street"*. However, emphasis needs to be placed on acquiring and analysing robust datasets associated with freight and servicing vehicle trip rates and operating patterns associated with different types of commercial and residential land use so that the understanding for such space provision is possible. Without such data and insight it will not be possible to achieve suitable decision-making concerning the adequacy of freight and servicing planning for area-wide plans and individual major sites is possible. This would also permit detailed consideration of the freight and servicing infrastructure and operations required to ensure the sustainability of these operations once the area/site is operational.

**Point G** states that *"developments should be designed and managed so that deliveries can be received outside of peak hours and in the evening or night time"*. However, achieving deliveries outside of peak hours is not solely a building design issue, it has to do with existing planning conditions imposed on sites relating to permitted delivery times; as well as the way in which freight carriers and the receivers of goods operate, and what the latter are prepared to allow and accept. Designing new sites for 24-hour operations will not overcome existing barriers to increasing off peak goods and servicing operations at sites due to such design specification would only apply to new builds, whereas many existing sites are subject to time restrictions of goods deliveries and collections imposed as part of planning conditions, or on environmental health grounds due to noise. Much progress on off-peak deliveries has been achieved in other cities outside the UK, which has targeted the achievement of quieter delivery operations (associated with the vehicle, driver, materials handing activities, loading bay and handling equipment) and which has facilitated off-peak delivery activity that that London could learn from. It is necessary to continue work started by Transport for London to review existing planning conditions on sites that prevent off-peak deliveries to determine their current suitability and applicability. And then, where necessary, through liaison between companies, local planning authorities and residents, devise suitably quiet delivery operations to permit such deliveries at formerly restricted times. Retiming deliveries has potential delivery cost implications that can fall on freight carriers without being shared with receivers. It is therefore also necessary to address these broader points about the sharing of costs and benefits among the supply chain partners if more off-peak deliveries are to be achieved in London.

**Point H** states that *"at large developments, facilities should be provided to enable micro-consolidation"*. Such facilities should be made available to enhance the sustainability of deliveries within the locations adjacent to the development rather than solely in the development area.

Many Opportunity Area and are-wide developments have tended to involve the redevelopment of industrial land that provided waste and recycling services. As part of the development these activities are ceased, leaving the new development and surrounding area without the necessary waste and recycling service sites in close proximity. This results in the generation of additional freight vehicle activity. Such waste and recycling land provision should be incorporated into the planning of new area-wide developments.

Other actions that the London Plan should reflect to facilitate more sustainable freight and servicing vehicle operations (which may be better located in the MTS but are not dealt with adequately there) include the role of planning conditions to ensure such office, retail, other commercial and industrial sites put in place suitable freight mitigation strategies (noise amelioration actions; requirements to put in place collaborative procurement practices; the mandated use of off-site consolidation and clean last-mile delivery and servicing services; permitted times of freight operations; and internal in-house logistics requirements for large and multi-tenanted buildings (to prevent drivers having to penetrate inside buildings and the kerbside parking time involved)).

**Comments on Policy E4-E7**

Although there is much demand for storage and logistics/distribution land in London, it is currently the case that this use for land yields far lower returns than for other commercial (e.g. office) and residential uses. The profitability rate in the freight transport and logistics industry is extremely low, and prevents such companies paying the rates requested for the sites required in London. As a result, logistics sites are relocating ever-further from the centre of London, often beyond the London boundary (this is often referred to as 'logistics sprawl' and is being observed in many cities internationally) leading to increases in the vehicle distance travelled and hence total freight and servicing vehicle activity (often using vans) to serve businesses and residents in inner and central London. At the same time many businesses that

rely on goods and services for their day-to-day functioning have been reducing the amount of storage space (and hence stockholding levels) that exists in their buildings to maximise their revenue-earning space. Such reductions in on-site storage space result in a growing demand for smaller, but more frequent deliveries and hence, ever-growing goods vehicle trip rates, especially those involving vans. Meanwhile, the rapid growth in online shopping together with highly responsive 'free' or under-priced deliveries is similarly fuelling a substantial increase in small order sizes being delivered to homes and workplaces across London.

A workshop about the issue of logistics land availability and affordability in London was held at the University of Westminster in April 2017 which was attended by 25 invited representatives from the private sector, the public sector and academics. During the workshop, participants were asked to vote on various questions concerning logistics land in London. All but one of the participants viewed the 'logistics sprawl' of logistics depots and warehousing as an important factor in increases in total freight vehicle kilometres by light goods vehicles in London in the last five years. And all participants believed that logistics sprawl is caused by the affordability and availability of logistics land in London (rather than a positive choice by freight operators to relocate their depots near the urban fringe and beyond). Three-quarters of participants felt that the affordability and availability of logistics land in London as a whole is already a substantial problem in terms of its negative effect on the reliability and cost of goods and service provision in the city, with an even greater proportion viewing the current situation in relation to logistics land in central London as severe. All respondents expected the situation to worsen in Greater and central London over the next five years.

Current Transport for London forecasts indicate growing traffic congestion and journey time delays and unreliability on the road network in the coming years. This is likely to have important negative consequences for the reliability of goods and service provision, and hence London's economy and the quality of life of its inhabitants, as well as the environmental impacts of delivery and servicing activities in terms of air quality and greenhouse gas emissions. It is therefore essential that London's policymakers, in conjunction with the private sector, commence work to address this problem, as it represents an important factor in the increasing intensity of van activity in London. This will require that attention is given to the role that more active and stringent protection of logistics land can play in improving the efficiency and sustainability of freight transport operations.

There is a need to establish sub-categorisation of industrial land and targets in the London Plan into: a) storage and logistics/distribution land and b) all other industrial land, as the demand patterns for these two categories are likely to be very different, with demand for the logistics/distribution land being far stronger than the latter.

**Policy E4 point A** states 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 maintained"*. In recent years this goal has not been achieved in London, especially on former industrial sites without any protected designation. **Point C** expands on this to say that the policy *"should ensure that in overall terms across London there is no net loss of industrial floorspace capacity (and operational yard space capacity) within designated SIL and LSIS"*. It fails to say anything about the maintenance of non-Designated Industrial Sites, and should do – as this is the category of industrial and logistics land that is being lost. Action needs to be considered to protect all-existing industrial land in London regardless of whether or not it is currently Designated.

In addition, action needs to be considered to prevent the loss of storage space in office, retail and other commercial premises and which leads to the demand for ever-smaller, more frequent ordering and hence delivery vehicle activity. The under-pricing of delivery services

by online retailers also needs to be addressed to ensure that the prices charged for such services reflect the costs that they impose on the road network and wider society.

Researched carried out as part of the Freight Traffic Control 2050 project has showed the important impact that last-mile logistics solutions using walking porters, cargocycles and clean vehicles can have on vehicle activity, time spent at the kerbside, fossil fuel use and greenhouse gas emissions and air quality. However, these last-mile solutions require centrally-located logistics land from which such operations can be run. They include micro-hubs at which goods are transferred from larger vehicles in to smaller, cleaner ones; lockers for the storage of bag loads of items to be delivered by on-foot porters, and for service engineers; and off-street space where specially designed mobile trailers and lockers could be parked and from which deliveries are made during the day. The land requirements are small compared with conventional logistics depots as they have no longer-term goods storage component. However the availability and affordability of such sites are often beyond the means of freight transport operators. The fact that virtually no Designated industrial land exists in central London exacerbates this problem. The Mayor of London supports these last-mile logistics operations as a means by which to make freight transport operations more sustainable. However, without the provision of such sites and assistance in making them affordable such solutions are unlikely to be financially or operationally viable for the freight transport industry.

*1999 words*