THE LONDON FREIGHT PLAN

Stephen Steele
Transport for London
Paul Dumble
Transport for London

1. INITIATING THE FIRST STAGE

The draft London Freight Plan (the Plan), currently at consultation, represents the first vital steps to identify and begin to address the challenge of delivering freight sustainably in London, now and during its foreseen growth over the next 20 years. The Plan seeks to bring about;

‘The safe, reliable and efficient movement of freight and servicing trips to, from, within and, where appropriate, through London to support London’s economy, in balance with the needs of other transport users, London’s environment and Londoners’ quality of life’

1.1 Political context

The Plan has evolved from Sustainable Distribution: A Strategy, published by the then Department of Environment, Transport and the Regions (DETR) in March 1999 and reissued by the Department for Transport (DfT) in January 2004. In this the Government outlined the need to co-ordinate policy formulation across all freight transport modes. It also emphasised that the industry’s development should not compromise the needs of economy, environment and society, the three pillars of sustainable development. To this end, the Government’s strategy proposed inter alia:

- Improving the efficiency of road freight distribution;
- Increasing the proportion of freight carried by rail;
- Promoting the use of coastal shipping and inland waterways; and,
- Improving interchange between modes.

The Mayor’s London Plan sets out the spatial development of the Capital and is supported by a number of Mayoral Strategies, Supplementary Planning Guidance documents, Sub-regional and Local Development Frameworks and Local Implementation Plans. The Mayor of London’s Transport Strategy, adopted in July 2001, identifies that:

‘Achieving an efficient and sustainable distribution system for goods and services is one of the greatest challenges facing London’

The same four principles underpin the Transport Strategy as are contained in Sustainable Distribution and seeks to:
• Ensure London’s transport networks allow for the efficient and reliable handling and distribution of freight and the provision of servicing in order to support London’s economy
• Minimise the adverse environmental impact of freight transport and servicing in London
• Minimise the impact of congestion on the carriage of goods and provision of servicing
• Foster a progressive shift of freight from road to more sustainable modes such as rail and water, where this is economical and practicable

The London Freight Plan supports the Transport Strategy buy adding extra clarity and is therefore informed by, and will influence, future revisions of the London Plan, the Transport Strategy and other relevant Mayoral Strategies and supporting documents. It also takes full account of requirements under the GLA Act 1999 relating to health, equality and sustainable development.

1.2 Gaining credibility with the freight sector

For the Plan to be successful, Transport for London (TfL) has to be seen to be credible on freight issues by businesses, freight operators and borough councils. This is essential for four reasons:
• To secure the endorsement of the Plan by the LSDP;
• To gain access to freight data;
• To effect change in freight operations; and
• To secure third-party advocacy for the Plan

The London Sustainable Distribution Partnership (LSDP), a strategic regional Freight Quality Partnership (FQP), with representatives from TfL, the Greater London Authority, the London Development Agency, the Port of London Authority, trade associations and pressure groups, business groups and the Association of London Government (representing the 32 London Borough Councils and the Corporation of London), was set up as an action from the Mayors Transport Strategy. The LSDP was tasked with developing the approach to freight in London and instigated the development of the London Freight Plan. If endorsed by the LSDP, the Plan will carry extra weight with the boroughs which will greatly aid implementation. To help secure endorsement, the Plan was developed by Transport for London (TfL) and members of the LSDP. Additionally a large number of businesses, freight operators, bodies and associations were consulted giving greater recognition to the vital role that freight plays in maintaining London as a world-class city.

Most information about freight is held by freight operators. Developing relationships with stakeholders is vital in order to gain access to information needed to build understanding of where effective supply-chain changes can be made to increase sustainability of freight operations. This data is also vital if we
are to be able to build the business case for greater investment in freight. Building TfL’s credibility to develop and help deliver the improvements needed by the freight industry represents a considerable challenge in the eyes of the freight industry. This will not happen overnight, but is essential if freight operators are to have the confidence to work and share data with TfL.

TfL has little direct control over freight operations and TfL is mainly limited to influence the movement of freight within London by developing effective strategies through engaging, coordinating, and working with the freight industry, freight users, investors and regulators. To accomplish this TfL has brought together a team of experienced freight specialists with operational experience in many freight sectors within a new Freight Unit. This unit has to work with operators to encourage changes in the way freight is delivered in London.

Gaining recognition and support for the Freight Unit by national freight bodies in the UK, such as the Freight Transport Association (FTA) as well as key sector associations including the British Retail Consortium is essential if TfL is to be taken seriously by freight operators. Without this third-party advocacy, the credibility of what is proposed will be lessened.

1.3 The challenges

The Plan outlines the challenges facing freight operators during a period of growth. London is growing unlike any other major city in Europe. The Mayor’s London Plan predicts a rise in the Capital’s population of some 900,000 to 8.3 million by 2026, with the net creation of 804,000 jobs. Over the same period, demand for goods and services is expected to rise by about 12% to 15%.

With pressure on road and rail capacity arising from increasing population, employment and development across the Capital, there are significant challenges for freight transport. These demands will be in conflict with the needs of passengers could lead to a reduction in effective road and rail capacity for freight. The challenge will be to make more efficient use of available resources, possibly by using transport networks at less congested times, by increasing vehicle load-space utilisation and through increased use of alternative modes of transport to road. Any increase in activity at sea ports, rail heads and canals in and around London will create demand for land for the development of logistics distribution depots in and around London, with:

- Inter-modal transfer facilities
- Access to these new sites (new modal linkages)

The siting of these depots close to alternative modes of transport such as canal wharves, river wharves or rail heads will be crucial in securing the economic and environmental benefits for the sector in the future. With projected growth in
passenger and freight traffic there may be an increase in congestion, increasing road freight costs. This may make sustainable inter-modal freight developments more competitive in the future if land is safeguarded.

Currently 82% of freight is moved by road and for many commodities this will still be the most effective mode. Road will nearly always be used for the final delivery leg. However, there is still potential to utilise spare capacity in other modes such as water or rail and any spare capacity available on the strategic road networks outside of peak or high-flow periods. This is necessary to ensure continued efficient delivery and maintenance of the economic and supply needs of the Capital in a period of growth and increasing demand for road space from passenger transport and car users.

Delivery on the ground is crucial, but freight is a complex and diverse area. To help us understand how to ensure effective delivery, the Plan has drawn on the expertise and experience of newly formed Modal, Special Knowledge and Industry Action Groups, together with representatives for sub-regional FQPs.

By presenting the resulting challenges and actions needed by mode and sector, solutions developed can best reflect the diversity of freight operations. The consideration of specific supply chains within freight sectors enables the opportunities for modal change to be identified.

1.4 Proposals
Actions to address the challenges are identified in the Plan and from these 8 formative proposals are developed to initiate the first stage of development of plan for London that will evolve over the next 20 years. The success of these proposals will depend on effective engagement and involvement with the key stakeholders. The eight proposals are;

**Encouraging best practice**
- LFP 1 Support the development of sub-regional Freight Quality Partnerships and improved means of communication
- LFP 2 Produce an annual London Freight Data Report
- LFP 3 Develop and roll out a programme of freight training in London
- LFP 4 Develop and roll out the Freight Operator Recognition Scheme in London

**Improving reliability**
- LFP 5 Improve reliability of London deliveries and freight movement through regulations, design and best practice

**Promoting sustainable distribution**
- LFP 6 Promote modal shift through supply chain reconfiguration and planning changes where economically and environmentally practicable

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LFP 7 Promote consolidation through supply chain reconfiguration and planning changes where economically and environmentally practicable
LFP 8 Promote changes to freight transport specification/fuel through supply chain reconfiguration where economically and environmentally practicable

1.5 Key performance indicators

There is a need to determine and measure the various impacts that freight has on London and to identify progress being made towards the attainment of the vision for freight in the Capital initiated through the eight proposals shown above. These are central to the approach adopted for the Plan, with results measured as outcome measures in relation to social, environmental or economic factors that underpin sustainable distribution. However, much of the necessary data, sufficient to establish baselines necessary to measure change is not currently available.

1.6 Project updates

Project updates illustrating progress in developing the proposals are shown below.

Encouraging best practice

1.6.1 Project update supporting LFP 1 – Freight Quality Partnership’s
Across London, 3 sub regional Freight Quality Partnerships (FQP’s) have been created covering West London, Central London and South London. Local FQP’s have been set up at Brimsdown, Belvedere, Catford, Hackney, Harrow, Islington, Southwark and Lewisham. FQP’s are organisations consisting of representatives from operators, businesses, local boroughs and other key stakeholders with an interest in freight. The purpose of the FQP’s is to identify and implement improvements on the ground for freight that will deliver benefits to operators, businesses and the local community. Identification of improvements is carried out through local surveys. One of the daughter documents supporting the Plan will be a toolkit for borough officers to help integrate freight into their daily activities.

Carrying out surveys of local sites
This approach allows the identification of a wide range of issues including access, signage, parking, loading, unloading, penalty charge notice hotspots. Solutions being developed by FQP’s include the development of:
- Legal loading plans with businesses making and receiving deliveries.
- Changes to streetscape to assist the driver in parking, loading and unloading at an appropriate location, improving reliability and safety factors.
- Development of local maps to assist drivers making deliveries
- Reviewing and improving road signage for freight vehicles

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Currently the funding secured to support these activities is about 1.5 million Euros per year,

1.6.2 Project update supporting LFP 2 – Produce an annual London Freight Data Report

This is the second of the daughter documents that will support the London Freight Plan and is expected to be ready for publication in January 2007. The data will reviewed annually and analysed to understand changes in data and to key performance indicators identified within the London Freight Plan. The first publication will represent a baseline in for most of the data collected.

The key areas for data reporting will be in:
• Modal statistics
• Updating operator statistics and key behaviour characteristics
• Sector based information
• Providing data from freight data modelling
• Key performance indicators

The data is reviewed independently by the University of Westminster to ensure accuracy and to minimise any data bias.

1.6.3 Project update supporting LFP 3 – Freight training in London

The UK Government Skills Council for Logistics is developing this training programme on behalf of TfL with input from industry to develop urban specific training modules. The training is aimed at drivers, planners and managers and will be ready in the autumn period of 2006 covers:
• Driver skills
• Planning, routing and scheduling by management and admin staff

In addition separate training modules are being developed to address particular London Borough requirements in terms of dealing with freight issues, such as planning applications, at local government level. This is being developed in conjunction with the Borough Freight Toolkit described in proposal LFP1. These additional modules should be complete by end of 2006. FORS pioneer partners (see 1.6.4) will help determine industry acceptance of the training.

1.6.4 Project update supporting LFP 4 – FORS

London’s Freight Operator Recognition Scheme (FORS) is a membership scheme for road freight operators which encourages and incentivises them to adopt best practice. It is free to join via TfL’s website www.tfl.gov.uk/fors. FORS aims to raise the standards for road freight operators working and delivering in London by using a tiered accreditation programme supporting sustainable
distribution through the social, environmental and economic benefits that are derived from the scheme. FORS, currently at its Pioneer Phase, is in the process of recruiting 300 members and 70 Pioneer Partners.

The Pioneer Partners will help to develop the criteria that will determine the tiered standards that will applied to the scheme when it is rolled out in the autumn of 2007. They will participate, sharing insights into their industry sector practices. In the Pioneer Phase of FORS trials, reviews, research and discussion will combine to produce an externally accredited system to meet the needs of traffic managers, fleet operators and drivers in London.

Basic requirements for Pioneer Membership are that partners must have at least one commercial vehicle making regular deliveries and or collections by road in London during the Pioneer Phase (August 06 to March 07) and be willing to share some operational information. In return, they will receive free advice from a range of skilled transport professionals and a practical bespoke Action Plan to improve the sustainability of their operations.

The scheme will address the following key areas.

- Regulatory compliance
- Freight training initiative – to improve driver and logistic management skills
- Fuel efficiency – to increase fuel efficiency, reduce costs and reduce emissions
- Occupational road risk – to deal with safety issues
- TfL delivery initiative – to deal with issues such as legal loading provision and parking control notices
- Journey Planning for freight – to help navigate through London

**Improving reliability**

1.6.5 Project updates supporting LFP 5 – Improve reliability of London deliveries

**Workplace freight travel plan – Paternoster Square**

Guidance for the development of work freight travel plans (WFTP) for commercial buildings (offices, retail, etc) for businesses or organisations wishing to improve the freight aspects of goods and servicing provision has been developed by consultants.

The guidance covers

- Design,
- Construction, and
- Operational activities.

Typical WFTP will consider the movements of all vehicles involved in

- Delivery
- Maintenance

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• Couriers
• Waste collection
• Non typical – e.g. Emergency

The WFTP will consider
• Vehicle scheduling, consolidation
• Any on street loading facilities, capacity, restrictions, accessibility, times for loading/ unloading
• Loading bays, associated infrastructure, reversing, nuisances (Noise, vibrations, visual, odour)
• Waste handling storage facilities
• Off street servicing areas
• Provision for emergency vehicles, façade maintenance, etc

A typical WFTP will consist of following key factors;
• Delivery strategy
• Goods receipt strategy
• Waste management strategy

The consideration, production and increased adoption of WFTP’s will help businesses and organisations reduce the overall number of delivery and servicing trips, reduce the number of illegal loading and unloading occasions, reduce accidents and reduce CO$_2$ emissions.

**Promoting sustainable distribution**

1.6.6 Project updates supporting LFP 6 – Promote modal shift
Other than the River Thames, London has two other inland waterways, the Grand Union Canal which runs across the north west of London and the River Lee navigation which links to the Grand Union and runs to the Northwards from the Thames from London’s docklands. Utilising London’s canals for the movement of freight is not a new idea and the practice has been largely replaced by road transport. The need to bring the canal back into use stems from the impacts of the growth of London on congestion, road space, the health of Londoners, freight safety issues, increased costs of road transport and the need to move goods by more sustainable means.

Transport for London working with British Waterways and other key stakeholders has been providing support with the following aims
• Identify suitable sites close to these inland waterways
• Encourage development of these sites
• Supporting the development of the inland waterways and inter-modal systems
• Building the business case to bring the inland waterways back into commercial use.

Recent projects close to completion are;
The Stockley Winding Hole

The Grand Union is a narrow gauge canal and in order to turn round barges a section of canal is widened. This widening is in the form of a triangle cut out on the tow path side of the canal. Many years ago when sails were used, the bow of the barge was positioned in the apex of the triangle and held stationary to allow the wind to push the boat around – hence the term 'winding', and pronounced like the wind. Winding holes are positioned every few miles along the canal. The new winding hole at Stockley was completed in July 2006.

The Wharf at Old Oak Sidings

To support the development of a new waste commercial and industrial waste transfer station processing up to 1.5 million tonnes annually, TfL and British Waterways supported the development of the new wharf at Old Oak Sidings. The wharf will allow the mooring of three barges carrying 70 tonnes of solid wastes, recovered aggregates and soil. In addition the site has access to rail sidings. The site is due to open in August 2006 with plans to increase utilisation of the canal (500,000 tonnes per annum) and increased utilisation of the rail transport (700,000 tonnes per annum).

Multi Modal Refuse Collection Vehicle

A prototype designed for London’s narrow streets is being built in Germany and is expected to be available for trials in the boroughs of Hackney and Harringey in the final quarter of 2006. The prototype is being produced in a rear loading format with a sealed container that can be lifted from the vehicle onto a barge or rail truck. Once collected, it is intended that the waste be transferred directly to treatment or recovery facility via the most appropriate route maximising the utilisation of canal or rail modes.

1.6.7 Project update supporting LFP7 - Consolidation

The ideas behind consolidation centres are not new. The use of consolidation centres at Bristol and two at Heathrow (Terminal 1-4 construction and retail, Terminal 5 construction) for controlling the acceptance, loading and unloading of freight are well documented. Notwithstanding this, the cost of running consolidation centres has been the principle barrier to the adoption of such initiatives. There is a need to consolidate materials or goods from many suppliers and destination customers (e.g. construction sites, retail outlets, factories, etc.) to ensure the process is economically viable.

The consolidation centre works on two principles:

- Allowing deliveries to be made to the customers site when they are required (Just in time principle); and
- Consolidating smaller loads so fewer vehicles are used.
In areas of high urban density such as London this will help create road space, reduce road transport emissions and reduce wastage. In January 2006, a new construction consolidation centre was set up in South Bermondsey. The headline results are shown in Table 1.

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<th>Table 1: Provisional CO\textsubscript{2} savings from the Bermondsey Consolidation Centre\textsuperscript{1} - January to May 2006.</th>
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<tr>
<td><strong>No of deliveries</strong></td>
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<td>Estimated deliveries (without consolidation centre)</td>
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<td>Deliveries made by consolidation centre</td>
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In addition, other major resource efficiencies and savings were made which include:

- Journey times reduced by 120 minutes;
- Local journeys reduced by 50-60%;
- Delivery accuracy 95% (construction industry average 50%); and
- Maintenance of traffic flows around city construction sites reducing congestion.

To maximise the CO\textsubscript{2} savings in the Capital, TfL is building the business case from the Bermondsey project to develop more consolidation centres around London, and considering options to link a number of these to rail or inland waterways canals so that goods are brought into the Capital by more sustainable modes (see: Inter-modal below). Further reductions of CO\textsubscript{2} at the consolidation centre could be made through the introduction of hybrid delivery vehicles and or vehicles that use alternative and sustainable fuel sources.

1.6.8 Project update supporting LFP 8 – Environmentally improvement

**LLCS Noise project**

The current London Lorry Control Scheme (LLCS) is managed by Association of London Government. The LLCS affects freight vehicles above a maximum gross weight of 18 tonnes and is operated across all London Boroughs from midnight to 7.00 am, and 9.00pm and midnight during week days, and between midnight and 7am and 1.00pm and midnight on Saturdays and at any time on Sundays.

A permit is required for vehicles to access restricted roads in the London Boroughs subject to conditions which apply to vehicle routing, vehicle condition, and driver training. The LLCS noise project is an attempt to develop criteria based on noise that would allow lorries to become exempt from the LLCS controls. The criteria would be based on noise levels in decibels that can be
verified by established testing methods. A final report on the criteria is expected at the end of November 2006.

To move forward with this project, work being undertaken by the Department for Transport on night time deliveries, the Freight Transport Association’s Nighttime delivery Toolkit and Dutch ‘PIEK’ work on nighttime deliveries, will need to be taken into account.

1.7 Summary

The London Freight Plan, as it moves into its initiation phase, contains proposals with the capability to deliver real changes on the ground and accommodate London’s growth in freight demand whilst maintaining the efficiency of freight operations and reducing the environmental and social impacts. The TfL Freight Unit, charged with the successful delivery of the Plan, need to engage and gain support from industry and a wide group of stakeholders. The case studies and updates of illustrative projects provided in this paper, demonstrate the early progress of the initiation stage of the Plan and will provide the baselines that future progress will be measured against, improving the understanding of the issues around freight and contributing to the longer term process of addressing London's transport needs. Other projects supporting these proposals are either underway or in development.

To implement the proposals in the Plan, it will be essential to develop third party advocacy and continue to develop new relationships between TfL, the boroughs, businesses and freight operators. Many challenges remain to be addressed to deal with funding issues and internal acceptance by TfL, a passenger oriented organisation, of its new freight unit.

1 Interim figures provided by Wilson James consultants to TfL (June 2006).