Light commercial traffic in London

Terms of reference

- To consider the current and future impact of light commercial traffic on London’s road network.
- To examine TfL’s plans for managing the expected growth and other changes in the amount and nature of commercial traffic in London.
- To contribute to the development of TfL’s proposed freight strategy, with a view to encouraging more sustainable delivery options.

Background

The purpose of this investigation is to examine whether TfL’s plans to manage the growth of commercial vehicle traffic in London are sufficiently robust. Commercial traffic is defined as road transport for the purpose of transporting goods, also referred to as ‘road freight’. Commercial traffic is primarily comprised of vans and lorries – above 3.5 tonnes, a vehicle is considered a Heavy Goods Vehicle (HGV), and below this a Light Goods Vehicle (LGV). Other road-based modes may be used in the transportation of goods, such as cycles.

80 per cent of London’s freight is currently delivered by road. Light commercial traffic makes up 13 per cent of all London’s road traffic, compared with 4 per cent for HGVs and 1.7 per cent for buses. During the morning peak, this equates to around 7,300 vans per hour. TfL is expecting light commercial vehicle traffic to continue to increase as London’s population grows: data provided from TfL by TfL suggests LGV traffic will increase by 22% between 2011 and 2031, while HGV traffic will remain static. This reflects general economic growth and wider structural factors such as the continued growth of the internet for shopping in particular. This could place a significant additional strain on an already congested road system. However, this also presents an opportunity for the retail and logistics industries, and TfL, to look at new ways to improve the efficiency of these services and reduce and redistribute the burden of commercial traffic across the network.

TfL directly manages the red route network in London. These strategic roads make up five per cent of the total road space in London, but carry over 30 per cent of traffic. TfL is also working in partnership with the boroughs to deliver the outcomes of the Mayor’s Road Task Force. This programme sets out the key functions of roads in London:

Moving: Efficient and reliable movement, supporting access for people and goods

Living: Inclusive streets and neighbourhoods, vibrant town centres and world-class places

Unlocking: Accessibility to growth areas and enhanced development potential

Functioning: Essential access to frontages for loading and 21st century utilities

Protecting: Safer and secure streets, particularly for vulnerable users

Sustaining: Greener, cleaner, quieter streets and a healthier more active city

1 TfL Freight and Fleet presentation to UKNMB, January 2015.
TfL’s vision for freight is to tackle worsening congestion and air quality by shifting the majority of deliveries, collections and servicing activities to outside peak periods—and across 24/7 where possible without disturbing residents—in Central London and areas of major development. TfL is scheduled to publish a new Freight strategy in early 2016 and the Committee’s findings could potentially feed into the development of the new strategy. TfL has also indicated that it will be producing a direction of travel document in August which could provide a framework for the Committee’s review, and a good opportunity to influence the development of the strategy.

The role of the Mayor and TfL

The Traffic Management Act (TMA) 2004 places a duty on all traffic authorities, including TfL. Under the Act, they must make sure road networks are managed effectively to minimise congestion and disruption to vehicles and pedestrians. It is TfL’s responsibility to facilitate cooperation between all of London’s traffic authorities and utilities so as to improve conditions for all road users.

TfL established the London Freight Forum to improve communication with the industry and help coordinate planning and preparations for the London 2012 Olympic and Paralympic Games. As a result of its success, the collaborative approach to freight management has continued and the forum now provides the focus for ongoing engagement. A number of Forum working groups have been established to focus on current industry priorities, including re-timing deliveries and collections, and increasing efficiency through consolidation and collaboration.

The Committee would seek views from representatives from the retail and logistics sectors to determine the key issues facing these sectors in relation to road space, such as congestion, kerbside access and delivery time restrictions. This would form the basis for a discussion with TfL, the boroughs and the freight industry to establish what is currently being done to mitigate these issues and potential changes that could improve the situation in future.

Previous committee work

The Committee has looked at light commercial traffic as part of its reviews of the transport legacy of the 2012 Olympic and Paralympic Games (February 2013) and in its report into the Future of Congestion in London (June 2011). In both cases this formed part of a wider review of issues. The Committee supported proposals to continue the adaptive measures put in place for the 2012 Games. In the 2011 report, the majority for the Committee supported recommendations to look into road user charging as one option for tackling excess freight traffic.
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Potential issues to explore

Residential vs CAZ deliveries

The Department for Innovation, Business and Skills estimates that up to 60 per cent of untimed home deliveries currently end in failure, adding to traffic volume by requiring re-delivery, which suggests that shifting deliveries towards the workplace could reduce failure rates. Measures to reduce the burden of light commercial traffic in one area may lead to an increased burden in other areas, unless an overall reduction in vehicles is achieved. For example, a shift towards workplace rather than home delivery may reduce the impact of commercial traffic in residential areas, but increase traffic in already congested (and polluted) areas of central London.

The impact of out-of-hours deliveries

Traditionally, out-of-hours deliveries have been unpopular in residential areas due to noise pollution. Ahead of the 2012 Games, TfL developed a code of practice to help companies making out-of-hours deliveries. Created in partnership with the Freight Transport Association and the Noise Abatement Society, it helped many businesses and operators to reduce disturbance to local residents and plan for the Games.

TfL leads a consortium of London boroughs, major retailers and industry representatives that looks at issues around out-of-hours deliveries. The group aims to demonstrate best practice, and offer guidance on collaboration and new ways of working. It has commissioned a series of trials to demonstrate:

- Quiet delivery technology
- How to overcome delivery-time restrictions imposed by local authority planning conditions

The Committee could potentially explore whether these measures have succeeded in overcoming local opposition to out-of-hours deliveries.

Vans as substitutes for HGVs

There is some suggestion that vans are being used as substitutes for HGVs. Van traffic is increasing whereas HGV traffic has been more stable. There are several plausible reasons for this – including more regulation for HGVs compared to vans, the greater flexibility that vans offer, particularly for the rapidly-increasing home-delivery market (e.g. residential roads), tied to a general increase in ‘just in time’ deliveries and reduced stockholding levels, and ease of loading, parking and kerbside access. However, such substitution is not necessarily optimal – vans are relatively less energy-efficient at moving tonnage compared to HGVs, use much more road space for an equivalent payload than a single HGV, and several van drivers may be required.

The Committee could potentially explore the impact of proposals that affect HGV traffic (such as lorry bans in certain areas) and the potential knock-on effects for increased van traffic.

2 http://www.instituteforsustainability.co.uk/LaMiLo.html
The role of Click&Collect
Click&Collect services have been introduced by many retailers to all customers to collect packages from convenient locations, as an alternative to home delivery, potentially reduce the amount of commercial traffic on London’s roads. A number of retailers such as Marks & Spencer and John Lewis have set up Click&Collect to allow online customers to collect goods from a local store, while online retailers such as Amazon allow customers to have products delivered to local convenience stores or other sites with secure lockers customers can access. Transport for London has introduced Click&Collect services at a number of its stations, for instance to allow passengers to order shopping online and collect it on their way home. The Committee could look at TfL’s current strategy for increasing the number of Click&Collect points at transport hubs, and whether this can be achieved on a large enough scale to make a significant difference to light freight activity. The Committee could seek to assess how successful this has been by looking at collection rates, and analysing the effect on local traffic at key hubs.

Consolidation centres
TfL has led or supported the establishment of consolidation centres to reduce the number of delivery vehicles on the road. These centres allow for multiple consignments to be delivered at one location, then sorted and transported to end-user sites in a smaller number of vehicles. Examples include a construction consolidation centre in south Bermondsey and a retail consolidation centre for Regent Street stores in Enfield. The Committee could examine the outcomes of existing schemes for consolidation centres to determine best practice and scope for further centres in high-demand locations and/or for high-volume services.

Sustainable delivery options
TfL has indicated that it is considering ways to encourage a switch to more sustainable transport modes. The European LaMilo (Last Mile Logistics) programme aims to create a step change in freight deliveries by fully considering the ‘last mile’ of a supply chain when planning a freight logistics journey, ensuring a more efficient and integrated approach. The project brings together experts from all sectors of the freight transport industry to change behaviour of private companies, the public sector and consumers to make better use of existing transport infrastructure and networks. Options include the wider use of sustainable transport modes such as drones, cycles and electric vehicles, or use of river transport, to reduce the environmental impacts of commercial traffic and congestion.

Key questions
- To what extent does light commercial traffic contribute to traffic congestion in London, relative to other forms of road user such as buses, private cars, and taxi and private hire services?
- What impact does light commercial traffic currently have on road congestion?
- What are the future trends likely to be?

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- How does light commercial traffic activity differ from HGV in terms of its impact of congestion?
- What has been learnt about light commercial traffic mitigation from the 2012 Games
- How does TfL work with the boroughs and the freight/logistics industry to manage light commercial traffic?
- How will the freight strategy tie in with other programmes including the Mayor’s cycling vision and the Roads Task Force?
- How is TfL engaging with the freight and retail industries to achieve its aims for greater consolidation and collaboration?
- What examples of best practice from elsewhere could be considered in London
- How can more sustainable delivery options such as drones, cycles and electric vehicles reduce the impact of commercial traffic in London?
- What is the potential role of Click & Collect services in reducing commercial traffic, including at transport hubs, and how can these services be enhanced?

Methodology

- The Committee would invite written submissions from key stakeholders and Londoners in Summer 2015.
- Committee meetings to discuss this topic with expert guests would be held in Autumn 2015, October and/or November 2015. It is anticipated that the meetings would be used to explore these issues with industry, and discuss potential solutions to key challenges with Transport for London.
- The Committee would seek to commission a survey of Londoners, in particular to explore their experiences with package deliveries. Further scoping will be carried out to determine the objectives and methodology of a survey.

Key stakeholders

- Transport for London
- Organisations promoting sustainable transport, such as the Institute for Sustainability in the UK
- London boroughs, including representatives of borough freight quality partnerships
- London Technical Advisers Group (LoTAG), an expert advisory group for local government transport professionals
- Representatives from the freight and logistics sectors, including Royal Mail, other package delivery companies and the Freight Transport Association (FTA)
- Representatives from the retail sector, including supermarkets, high street and internet retailers, and the British Retail Consortium
- Representatives from the construction industry
- Other business representatives, such as London First and the Federation of Small Businesses
- Motoring organisations
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- Consumer groups, such as Which
- Transport think tanks and academic experts

The Committee would aim produce a report outlining its findings by early 2016.