

Winning the Race to Net Zero for London's Businesses Report

Cargo bike or type unknown

Key information

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1. Winning the Race to Net Zero for London's Businesses Report

The Mayor should provide further funding to local authorities in London for cargo bike sharing schemes and cargo bike training, to help businesses pedal their way to net zero.

A report by the **London Assembly Economy Committee** explores how businesses in the capital can be incentivised to make a shift away from diesel vans and towards using cargo bikes for their deliveries and other jobs.

Cargo bikes can range from two- or three-wheeled bikes with trailers or storage boxes on the front or back, to four-wheeled, covered vehicles, and can cost up to £12,500.

The Committee found that cargo bikes allow businesses to travel within the ULEZ (Ultra Low Emission Zone) for a relatively low upfront cost, compared to other low emission vehicles such as electric vans. It heard that the cheapest electric van costs around £24,000.

Transport for London (TfL) runs a scrappage scheme to enable Londoners and smaller businesses to replace vehicles that do not meet the ULEZ emissions standard with cleaner vehicles, including cargo bikes.

The Committee is urging TfL to consider increasing the scheme to incentivise more businesses to switch to cargo bikes once the current funding runs out, as well as raising awareness among different types of businesses to incentivise them to purchase a cargo bike using the scheme.

Congestion costs money for businesses as workers spend time queuing in traffic and it is difficult to make deliveries on time.

Freight vehicles, both large goods vehicles (LGVs) and heavy goods vehicle (HGVs), make up 17 per cent of total vehicle miles in London, but contribute proportionally more to emissions and poor air quality.

This amounts to a quarter of the total carbon emissions from transport, and around a third of the total nitrogen oxides and particulate matter from road transport.

Many businesses will continue to rely on both LGVs and HGVs for financial and logistical reasons. However, for certain types of delivery, alternatives such as cargo bikes are increasingly becoming a viable option for businesses.

The Committee has **today** published a report with **13** recommendations to the Mayor and TfL, including:

- The Mayor should explore providing further funding to local authorities in London to support cargo bike sharing schemes and to provide training to local businesses, to help them integrate cargo bikes into their operations in a cost-effective way.
- TfL should share with the Committee any analysis it has done on ensuring that there is uptake for purchasing cargo bikes as part of the ULEZ scrappage scheme from a wide variety of businesses. It should also consider increasing the funding for this to incentivise more businesses to switch to cargo bikes when the current funding runs out.
- TfL should inform the Committee of how it is raising awareness among different types of businesses to incentivise them to purchase a cargo bike using the scheme.
- The Mayor should introduce a quality mark which is awarded to London's businesses that use cargo bikes, in order to incentivise more businesses to take up cargo bikes.
- The Mayor should lobby the government to introduce a further round of funding for local authorities to procure e-cargo bikes, to support the growth of e-cargo bikes in London.

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