

MAYOR OF LONDON

Marina Ahmad AM

Chair of the London Assembly Economy Committee
C/o Tim.Gallagher@london.gov.uk

Our ref: MGLA170423-5129

Date: 10 August 2023

Dear Marina,

I am writing in response to the Committee's report: Winning the Race to Net Zero for London's Businesses. Thanks to the Committee for their work on the report, and for sharing it with me.

I recognise the important role cargo bikes play in moving goods efficiently and sustainably around London, and I welcome the publication of the Committee's report, and the ambitions underpinning it. I support many of the report's recommendations around funding, promoting cargo bike usage, improving quality and safety standards, and working closely with stakeholders. I have outlined in the annex to this letter what actions Transport for London (TfL) will take, through its recently launched [Cargo Bike Action Plan \(CBAP\)](#), to achieve these important objectives.

In order to meet my Transport Strategy target of ensuring 80 per cent of all trips are made using sustainable modes by 2041, we need to support the safe and effective growth of cargo bikes. I am pleased to note that the recommendations in the Committee's report align closely with the actions and recommendations within London's first CBAP.

TfL also continues to work with Business Improvement Districts (BIDs), business groups and other stakeholders to promote modes of sustainable delivery. This includes projects that utilise and promote the use of cargo bikes. TfL has developed a [Cycle Freight Toolkit](#) to enable businesses to replicate established schemes and transition to cargo bikes for their own deliveries and has been exploring and trialling innovative solutions including different types of cargo bikes for last-mile delivery via the FreightLab initiative.

I also recognise the significant role funding plays in increasing and incentivising further cargo bike uptake. This is why, alongside my £160 million ULEZ scrappage scheme there is a range of support offers available to help people and businesses switch to more sustainable modes, including offers on cargo bikes. I will also continue to explore other funding options that support cargo bikes, bearing in mind post-pandemic financial constraints. TfL is also exploring other measures, such as incentivising cargo bikes through procurement practices.

I look forward to engaging further with the Committee as we work together to make cargo bikes a leading option for last-mile freight and servicing trips. I would like to thank you, and all the members of the Committee, for your time and leadership in commissioning this important report, and for your continued work to promote cargo bikes and help London move closer towards achieving Net Zero.

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Yours sincerely,

A handwritten signature in blue ink, appearing to read 'Sadiq Khan' with a small '2' below the 'h'.

Sadiq Khan
Mayor of London

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ANNEX

Mayor of London's response to the recommendations of the London Assembly Economy Committee's report 'Winning the race to Net Zero for London's Businesses'

Recommendation 1

The Mayor should introduce a quality mark, awarded to London's businesses that use cargo bikes, in order to incentivise more businesses to take up cargo bikes.

Transport for London (TfL) carried out extensive engagement with businesses for the purposes of developing the Cargo Bike Action Plan (CBAP) and is continuing to engage with both public and private stakeholders to identify ways to encourage, incentivise and reward the take up of cargo bikes. While TfL has not directly considered the idea of a quality mark, it will work to incentivise businesses through the use of procurement levers (CBAP Action 10) and publicising the benefits of cargo bikes (CBAP Action 9).

Recommendation 2

The Mayor should continue to work with the Urban Transport Group to identify where new regulations may be needed to ensure the growth in cargo bike usage works for London. If the need for new regulations is identified, he should lobby the Government to introduce these regulations.

TfL is committed to encouraging, and collaborating with, the government to harmonise regulation (CBAP Recommendation 4). TfL has engaged extensively with public and private stakeholders, including boroughs, BIDS, associations such as the Bicycle Association and operators such as Amazon, throughout the development of the CBAP, and will continue to do so throughout the implementation phase. The Department for Transport's 2019 Future Mobility Strategy will look into implementing a flexible regulatory framework for micromobility vehicles. TfL will continue to monitor how micromobility developments may impact how and where cargo bikes operate. TfL will work with the government, other cities and transport authorities as appropriate to develop policies that support the use of cargo bikes.

Recommendation 3

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 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.

Analysis carried out for the purposes of developing the CBAP identified at least 16 large operators and 37 smaller operators who already use cargo bikes in their operations in London. TfL provides a number of cargo and e-cargo bike support offers that are accessible to both successful applicants of the Ultra Low Emission Zone (ULEZ) scrappage scheme (exclusive offers), as well as to all Londoners living in the expanding ULEZ zone (general offers). Currently, three scrappage scheme partners provide cargo bike offers, which are promoted through their own communication channels as well as TfL's social media channels. To further boost uptake, TfL has been increasing awareness of the scrappage offers through a communications campaign.

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The CBAP has also identified an action to work with the Greater London Authority (GLA) and boroughs to produce messaging and advice in support of cargo bikes (CBAP Action 9).

Recommendation 4

The Mayor should explore providing further funding to local authorities in London to support cargo bike-sharing schemes and provide training to local businesses, in order to help them integrate cargo bikes into their operations in a cost-effective way.

Training and guidance are critically important to ensuring safe bike and cargo operations. The CBAP has identified several ways to incentivise the safe and effective uptake of cargo bikes. Local Implementation Plan funding allocations can be used to support cargo bike loan schemes. Prior to the pandemic the Mayor, in conjunction with TfL, funded the uptake of the purchase of cargo bikes through the Healthy Streets Fund for Business, as well as the Business Low Emission Network programme. He will continue to explore opportunities to support cargo bike uptake, including funding support for cargo bikes, within the constraints of available funding.

Recommendation 5

The Mayor should work with business improvement districts (BIDs) in London to carry out a lessons-learning exercise about how to encourage and facilitate the use of cargo bikes by businesses, and to understand whether demand for and feasibility of e-cargo bikes differs across the city.

TfL carried out extensive engagement with private and public stakeholders, including boroughs and Business Improvement Districts (BID), for the purposes of developing the CBAP. Team London Bridge BID developed the Bikes for Business scheme with funding and support from TfL, and delivered a successful pilot project in 2019. The scheme provides information and advice on all aspects of using cargo bikes for businesses and operators. TfL continues to work with private and public operators in retail, construction, waste, and other sectors to better understand where and how cargo bikes can be adopted for last-mile delivery and serving trips.

Recommendation 6

The Mayor should explore providing funding through the Good Growth Fund to support Cleaner Air Markets in other parts of London, drawing on the pilot project carried out by Fare City.

The Mayor will continue to explore measures to promote the growth, uptake, and use of cargo bikes, and investigate funding support options.

Recommendation 7

The Committee supports the development of an industry-wide training and accreditation scheme that recognises cargo bike riders who have high professional standards; and encourages cargo bikes as an attractive option for businesses. TfL should outline how it intends to support the development of such a scheme.

Training providers should use qualified instructors and demonstrate their commitment to ongoing quality training and a willingness to adopt benchmarks. The CBAP has identified actions to develop a London safety standard (CBAP Action 7) that adopts best practice, and TfL will publish revised cargo bike guidance for riders and operators (CBAP Action 8). TfL will continue to work with business groups and associations, including the Bicycle Association, which is looking to develop a UK training standard. These actions will ensure that cargo bike riders have the support they need to achieve high professional standards.

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Recommendation 8

The Committee welcomes the Government's E-Cargo Bike Grant Fund, which was administered by the Energy Saving Trust and provided funding for local authorities to procure e-cargo bikes for their areas in between 2019 and 2022. 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.

The Mayor has been actively lobbying the government to provide more funding for sustainable transport. He welcomes the government's E-Cargo Bike Grant Fund and encourages them to expand it further. He has also urged the Prime Minister to fund a national scrappage scheme that would provide incentives for businesses to switch to more sustainable alternatives. Other cities have received government funding to scrap non-compliant vehicles, while London has not received any scrappage funding from the government.

Recommendation 9

The Mayor should lobby the Government to strengthen employment rights for delivery drivers for all modes of freight transport, and ensure that these rights are enforced.

The Mayor has established the Good Work Standard, which provides employers with best employment practices. He strongly supports initiatives for fair, equitable and diverse employment practices, including for cargo bike riders. TfL and the GLA use procurement and other policy levers to ensure that our service providers apply good practices (CBAP Action 10).

Recommendation 10

The Committee supports the roll-out of cargo bike hangars and cargo bike parking by TfL and by local authorities across London. Local authorities should work with local businesses to accelerate this work and set targets for increasing cargo bike storage in their areas where needed. The Mayor should work with local authorities to support this aim.

The CBAP has identified the need for cargo bike parking and includes a specific action (Action 3) to work with boroughs and developers to identify opportunities for short-stay parking facilities for bikes.

Recommendation 11

TfL's Cycle freight toolkit is a positive step in providing support to businesses considering cargo bikes. In response to this report, TfL should provide the Committee with information on how it is raising awareness among, and encouraging, BIDs and local authorities in London to implement this guidance.

In addition to publishing cargo bike safety guidance for operators and riders, the CBAP includes an action to work with the GLA and boroughs to produce messaging and advice to support cargo bikes (CBAP Action 9). This includes making BIDs and local authorities aware of benefits, materials and guidance through campaigns and other promotional activities. TfL's Cycle Freight Toolkit was updated last year, and is an effective resource promoting the uptake of cargo bikes for deliveries and collections by businesses.

Recommendation 12

The GLA Group should identify opportunities across its estate where it could encourage procurement of goods and services from businesses using cargo bikes.

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Action 10 in the CBAP states that TfL will use procurement as a policy lever for suppliers to support sustainable last-mile deliveries and cargo bikes. By specifying the need to use zero-emission vehicles and minimum training standards in procurement contracts, TfL will incentivise using cleaner vehicles and replacing vans with cargo bikes across the GLA estate.

Recommendation 13

The Mayor should work with the industry to lobby government on updating standards for bike manufacturing, which will impact the loads that cargo bikes can carry and influence how road and cycle infrastructure needs to evolve.

The CBAP (Action 7) states that TfL will develop a London safety standard that adopts best practice. Safety and safe practices for bikes, riders and operators will be considered. The plan recommends working and collaborating with the government to harmonise regulations across micro modes. This includes micro mode (including cargo bike) configurations and loads.

In Action 2 of the CBAP, TfL will develop its demand model to better understand where in London demand is expected to be highest. This will provide insights into how and where we need to accommodate cargo bikes in road and cycle infrastructure. The Cycling Action Plan (Action 8) will ensure that cycle infrastructure design guidance documents are inclusive, current and meet local and national design standards.