

# Deliveries Reduction Fund for Business Groups

Application Form  
June 2018



All applications will be subject to an evaluation criteria set by Transport for London, details of which can be found in the supporting guidance

Please return your completed application form to [REDACTED] by Friday 20 July 2018

### General Information:

Lead Applicant: Better Bankside Business Improvement District

Other partners: Borough Market, Network Rail

Do you have approval for this proposal from your Business Improvement District Board or senior management? If not, when do you expect this to be granted?

Yes, senior management has approved this proposal.

### Lead Applicant Contact Details:

Contact name: [REDACTED]

Email address: [REDACTED]

Telephone number: [REDACTED]

### Project Team

Provide details of the proposed project team including external members e.g. resident group representatives, consultants; together with roles and responsibilities

Name	Organisation	Role	Responsibility
[REDACTED]	Better Bankside	Operations Manager	Project Manager
[REDACTED]	Better Bankside	Sustainable Travel Manager	Project Manager
[REDACTED]	Borough Market	Operations Director	Project Partner Liaison
[REDACTED]	Better Bankside	Place Making Project Manager	
[REDACTED]	Better Bankside	Bankside Urban Forest Manager	



Project overview: Please use the table below to provide a brief description of the proposed project. This will enable an understanding of how the proposal fits with the ambitions of the applicant's business.

<p><b>Background</b></p> <ul style="list-style-type: none"> <li>• Brief description of the business(es) making the application</li> <li>• What is the relationship between the businesses in a joint application?</li> <li>• Any research undertaken to inform the planning of the project</li> <li>• Have similar projects been delivered in the district or by other groups?</li> </ul>	<p><b>BB Background</b></p> <p>Better Bankside (BB) is a Business Improvement District (BID) whose purpose is to create and foster an ever-improving, competitive business environment for the Bankside area. Working closely and collaboratively with local businesses and community groups, Better Bankside understands the key issues and aspirations that will enable Bankside to become a better place to live, work and visit.</p> <p>Borough Market is London's oldest food market. The market is a leader and an innovator and has been an integral part of debates on food production and disposal. Participating in the Plan Zheroes FoodSave scheme, sending waste food to anaerobic digestion and using biodegradable/compostable packaging, Borough Market uses its platform to promote environmentally sustainable operating methods that make a real difference.</p> <p>Better Bankside and Borough Market have a long history of partnership working. Both with Borough Market being one of the BID's business members and with our shared goals to improve the Bankside neighbourhood, making it a more vibrant, attractive and sustainable area for all those who enjoy it.</p> <p>Acknowledged by the Greater London Authority as a 'pollution hotspot', and given the area's high-footfall, Borough High Street has been identified as a key target for air quality improvement measures. In 2017, the Borough High Street Low Emissions Neighbourhood was established in recognition of this need.</p> <p>In response to this issue, BB and Borough Market have embarked on a joint review of the market's freight demands and movements in order to recommend servicing efficiencies and innovations. Initial scoping results from this research has identified the opportunity to consolidate deliveries to a central location, 'The</p>
---	---



	<p>Logistics Centre' and provide last mile distribution to participating local market traders by zero emission transport methods. Additional results and recommendations from the Borough Market freight review will continue to inform the project's plan.</p> <p>It is anticipated that this will significantly reduce the quantity of diesel delivery vehicle trips to the participating businesses. Indeed, precedents of similar projects such as the delivery consolidation programme along Regent Street, that has reduced delivery trips to participating retailers by up to 85%, indicates the concept's potential.</p> <p>Furthermore, this freight efficiency scheme will complement the successes of the existing micro-consolidation waste and recycling project currently trialled in the area by BB. This demonstrates the strategic, multifaceted approach being delivered in order to maximise impact across the area.</p>
<p>Your Aspiration</p> <ul style="list-style-type: none"> <li>• Why are you implementing the project?</li> <li>• What issue is being addressed?</li> <li>• What is the "bigger picture" of the project?</li> <li>• How does this help to deliver the objectives / ambitions of the partnership?</li> <li>• What are the anticipated long term benefits to the partnership, members, and the wider community for example will improve air quality in the district.</li> </ul>	<p>Independent research commissioned by BB in 2016, revealed that 79% of those who participated in the perception surveys, cited improving the area's air quality as a 'top priority' over the next five years. This was also reflected by the area's residents, who identified the need for cleaner air as a key priority during the consultation for the Neighbourhood Plan. With approximately 50% of London's air pollution coming from vehicle emissions, reducing vehicle trips presents one of several interventions that will play a pivotal role in addressing the crucial, yet complex issue of London's poor air quality.</p> <p>During morning peak times in Central London, commercial vehicles comprise 28% of vehicle trips. Reducing vehicle trips in the local area will help alleviate and mitigate some of the harmful consequences to people's health and the environment caused by vehicle emissions. This is central to The Logistics Centre's project ambition, which aims to achieve this by enabling a meaningful reduction in pollutants emitted by vehicular delivery trips during the 'last mile'. It builds on previous learning through the Waste Micro-consolidation and</p>



	<p>Preferred Suppliers Scheme projects to reduce freight traffic and carbon emissions by consolidating deliveries to a single point and substituting diesel vehicle trips for zero carbon transport methods.</p> <p>The longer-term and wider benefits also include:</p> <ul style="list-style-type: none"> <li>• More flexible and convenient business operations facilitated by localised storage of goods and a closer, more responsive delivery service.</li> <li>• Improve the health of the area's employees, residents and visitors through improved air quality.</li> <li>• The diminished presence of vans and delivery vehicles will offer quieter, more tranquil routes, attracting more people into the area.</li> <li>• Employment opportunities.</li> <li>• An innovative, scalable and self-sustaining model applicable to commercial areas in London and other urban areas.</li> <li>• Create awareness to the adverse effects of vehicle emissions, encouraging behaviour change relating to personal deliveries.</li> </ul>
--	---

**Brief description of the project**  
**Bankside Logistics Centre**

Across Europe the concept of logistics centres (or logistics hotels) are being introduced. This concept centres around providing a consolidation point for deliveries in to an area whereby businesses or carriers can rent space to store goods and receive deliveries. These goods are stored for a short period of time before onward travel through sustainable means such as cycle courier, electric vehicle or delivery by foot.

Better Bankside has identified an opportunity to enter into an agreement with Network Rail which would enable them to lease land on Southwark Street at the junction with Redcross Way to provide businesses in the area with a Logistics Centre. The project could work in conjunction with the aspirational preferred supplier schemes and the Borough Market freight review and recommendations.

This project would set out to:

- Provide businesses (freight operators, preferred suppliers, etc) with a consolidation hub where business to business deliveries could be collated and stored for a short period before onward travel through low carbon methods of transport.
- Create a secure facility to store and process goods and deliveries.
- Provide space for storage of the necessary vehicles and equipment to carry out deliveries.



The project would provide an opportunity to trial the concept and work up a self-sustaining business model whereby the Logistics Centre could generate enough income to:

- a) Fund its core operations and costs beyond the lifetime of the project.
- b) Enable expansion of the project in terms of purchasing electric vehicles, cargo bikes and employing staff to drive these vehicles and manage the site.

The outline model for this consolidation centre could be the Bristol-Bath consolidation centre which began operation in May 2004 with European funding and now serves 128 businesses with two electric vehicles in operation to carry out last-mile deliveries.

To date the scheme has achieved:

- A 79.5% reduction in delivery trips for retailers
- 158 tonnes of CO2 and 5,136kg of Nox saved
- More than 16,224 vehicle trips removed

(Ref: <https://travelwest.info/freight-consolidation>)

What is the location of proposed project? Please provide either a map showing the geographical area or a description

The proposed programmes will be undertaken in the Better Bankside BID area. In bringing forward the programmes, Better Bankside will work with select businesses within the area.

Image 1 outlines the Better Bankside BID area. Better Bankside is home to over 650 businesses. From April 2015, the BID boundary was extended west to Blackfriars Road, south along Great Suffolk Street and east to Borough High Street (including Borough Tube Station).

**Image 1: Better Bankside BID area**



## Aims and objectives of the proposed project

At the heart of Better Banksides sustainable travel programme is the commitment to improving air quality for those who live, work and travel through the area through the introduction of projects and services that will directly impact the number of vehicles on the road, vehicle movements throughout the area and raise awareness about the issues of freight traffic. The Bankside neighbourhood is home to some of London's busiest and most congested roads. It has several 'hotspot' pollution zones as identified by Transport for London and the Greater London Authority. For Bankside to continue as a vibrant and attractive community and business hub, initiatives to reduce the number of freight vehicles and their movements throughout the area need to be introduced. To respond to the increase in freight traffic on Bankside roads, Better Bankside has built air quality improvements and freight reduction objectives into its overarching business plan, as well as the vision guiding the organisation.

The introduction of a Logistics Centre project will allow Better Bankside to move forward its objectives to gain a better understanding of freight vehicle movements and reduce the level of motorised traffic in the area by reducing the presence of freight on the network. This project will further ensure that Better Bankside is able to work towards its objectives, by improving air quality and reducing population exposure to harmful vehicle emission-based pollutants.

As a member led organisation Better Bankside is focussed on engaging with its business members, in part, to improve local air quality. The proposed project will provide Better Bankside with further opportunities to engage with business members, encouraging them to consider the impacts of freight, and how they can undertake easy-to-use measures to reduce freight trips and improve air quality.

To meet with these objectives Better Bankside aims to:

- Enter into an agreement with Network Rail to lease land on Southwark Street which will provide a space to create a consolidation hub for business to business (B2B) deliveries;
- In partnership with Borough Market make space available for the markets traders and businesses in its environs for goods to be stored safely and securely;
- Fit out 1x arch within the site with suitable storage facilities/apparatus to enable operational/logistical activities to be carried;
- Bring in "last mile" delivery expertise to run the operational aspects of consolidation and deliveries.
- Using the recommendations from the current Borough Market Freight Review and the proposed preferred suppliers scheme to identify opportunities to remove freight vehicles from the roads and replace with zero emission vehicles;
- Roll out a series of business workshops and seminars focussing on reducing B2B related freight, consolidating deliveries and practical methods to implement behavioural change within an organisation;
- Develop a sustainable business model within the lifetime of the project enabling Better Bankside to continue to offer the service to business members beyond the lifetime of the project;
- Throughout the course of the project develop a joint venture partnership between the project partners and a sustainable deliveries organisation to expand operations beyond Bankside and offer the service out to adjoining business groups along the south of the Thames.
- Develop a business case demonstrating that the model can be implemented elsewhere.



## Delivery approach e.g. 4 phases. Please list what's in scope and out of scope?

To deliver this project it will be split into three phases. Phase 1 – Project scoping and preparation; Phase 2 – Project delivery; and Phase 3 – Project evaluation. The main stages of these phases have been set out below:

### Phase 1 – Project scoping and preparation:

- Site preparation -
  - Agreement of lease and take occupation.
  - Supplier identification.
    - Reach out to sustainable delivery companies to invite to participate.
    - Understand site specifications/requirements.
  - Fit out – installation of necessary infrastructure/ facilities.
- Project/services scoping –
  - Identification of customer requirements, frequency of deliveries, produce/goods being stored.
  - Identifying target businesses/traders.
  - Break even analysis study.
- Baselineing –
  - Study to gain an understanding of the number of vehicles and vehicle movements related to B2B deliveries inside/outside the area.
  - Building on the work of the Borough Market Freight Review to build in the recommendations coming out of the review.
- Business/trader engagement –
  - Subject to the project/services scoping and baselineing exercises secure engagement from at least 20 businesses (we will seek to grow this as the project beds-in).
  - Engagement workshops and face to face meetings.

### Phase 2 – Project delivery:

- Preparation for deliveries -
  - Using learnings from the baselineing and project/services scoping to prepare delivery team.
  - Testing of any operational software, processes, routes to determine efficiency, suitability etc.
- Trial consolidation hub and delivery service -
  - Consolidation and deliveries in real time.
  - Real time data capture enabling ongoing analysis of vehicle reductions.
- Progress review –
  - Quarterly project progress reviews
  - Analysis of project
  - Identify scope to expand and new opportunities to exploit
  - Identify and mitigate risks.
- Business workshops –
  - Hold 6 monthly workshops for businesses to promote project.
  - Share learning/best practise.
  - Generate interest in model.
  - Encourage new business sign ups.

### Phase 3 – Project evaluation:

- Follow up study and report -
  - Follow up study to commence 4 months prior to project end.
  - Comparing project progress against baseline and scoping exercises.
  - Development of toolkit for implementing the model elsewhere.
- Business Case Development -
  - Analysis of economic sustainability of model.
  - Identification of opportunities to develop model further.
  - Analysis of scalability and opportunities to expand model.
- Presentation of findings –
  - Present to key stakeholders demonstrating project findings and future plans.
- Development of engagement programme –
  - Using project outputs develop programme to extend project beyond Bankside.
  - Engage with neighbouring business groups to promote model.



Provide detailed project plan including information listed in example below:  
**Please see enclosed Timeframes – Freight Funding Logistics Centre Document**

Provide a separate, detailed project plan including information illustrated with example in table below

**Please see enclosed Timeframes – Freight Funding Logistics Centre Document**

<b>Information required</b>	<b>Example</b>
Primary activities / tasks:	Scoping project, setting up Logistics Centre Engaging with businesses, managing and growing the Centre Developing future venture businesses case, post-lease expiry.
Timescales	July 2018 – March 2020
Milestones	<b>Please see enclosed Timeframes – Freight Funding Logistics Centre Document</b>
SMART targets	<b>Please see enclosed Timeframes – Freight Funding Logistics Centre Document</b>
Key Performance Indicators (KPIs)	<b>Please see enclosed Timeframes – Freight Funding Logistics Centre Document</b>
Outputs and deliverables	Fit out Contact with delivery contractor Business Engagement Plan Data from Borough Market Environs before, during and after initiative Business plan for second sight
Risks / issues  Mitigation	R1: Delay to lease Agreement M1: Agree a fixed date for parties' signatures  R2: Increase in costs and time for archway fittings M2: Clear specifications within the design brief. Build contingency into project budget and snagging into contract agreement.  R3: Obtaining planning consent M3: Seek pre-app advice. Factor in additional time to meet any planning conditions.  R4: Risk to programme from a lack of engagement from the market and/or target businesses. M4: Develop promotional / communications strategy and include addition time to factor in potential delays.



## Monitoring and Evaluation – What will success look like?

How will the project delivery and performance be measured, monitored, reported and evaluated?

What monitoring, and evaluation will be undertaken to measure the impacts of the proposed project against the objectives?

The aim of the Logistics Centre is to minimise the volume and impact of road freight movements in urban areas, using an Urban Consolidation Centre. Urban journeys represent the ‘last mile’ of freight movement, as goods make their way from distribution hubs into the heart of city centres. It is these last mile journeys that generate the greatest benefits, but also concerns, for urban areas.

These are the specific issues to monitor and evaluate:

- Congestion - costs urban areas billions each year, with the highest costs experienced during peak times of the day. This congestion is bad for cities, freight operators and their customers
  - Baseline of traffic movements via survey in the Borough Market Environs
  - Monitoring of traffic movement and change in the Borough Market Environs
  - Specifically identifying the modes of transport used before and after intervention
- Emissions - road freight traffic makes a significant contribution to carbon dioxide and air pollution (in the form of nitrogen oxides and particulate matter), harming the environment and public health.
  - Analysing the composition and change in vehicle mode to derive air quality and emissions benefits.
- Safety In urban areas - road freight is more likely to come into contact with vulnerable road users, such as cyclists and pedestrians, increasing the risk of injuries and fatalities
  - Reviewing historic KSIs and monitoring them over the length of the project.
- Quality of life and urban realm - heavy freight vehicles impact on the overall quality of the urban realm and quality of life for urban communities. Noisy, large vehicles passing through city centres detract from human scale development, obstruct views and can make it difficult to create the ‘place’ environment that many enjoy.
  - Better Bankside currently carry out street perception audits in the BID area, we would seek to continue these with a focus on the Borough Market Environs.

The project, in the current location, is time limited to three years. Better Bankside and its partners will collect financial information and assess the long-term viability with its partners and contractor every 3 months. Reviewing the income, viability progress against KPI/Milestones and break-even costs for the initial three years. At the 6 month and annual review process Better Bankside will start a “Joint Venture” for the sequent location of the Logistics Centre which will build upon the Borough Market Environs and roll-out the scheme to a wider audience

### *Commitment to partnership working*

Better Bankside is committed to and mean to share project progress, outcomes, achievements and lessons learned with TfL and other colleagues working to similar aims. Better Bankside will advise on scalability and adaptability of the proposed preferred supplier programme to other locations in London.



Set-out amount of funding requested from TfL together with itemised list of what it is to fund together with identified sources of match-funding:

Expenditure item	Detail	Funding Source	2018/19 £k	2019/20 £k
Rental of space and rates	Renting x1 arch to house the logistics centre	TfL	£5	£5
		BB & Borough Market (match funding financial)	£5	£10
Site fitting	Procurement and installation of the necessary security and storage facilities in the arch to manage a delivery centre	TfL	£5	£15
	Commission of the design and management of planning phase	BB (Match funding in kind and financial)	£10	£0
Equipment	To enable successful local deliveries, in addition to BB's existing EV.	TfL	£0	£10
		BB & Borough Market (match funding financial)	£5	£5
Facility operative contractor	Appointment of contractor to manage and deliver the daily logistical services	TfL	£2.5	£5
		BB & Borough Market (match funding financial)	£2.5	£5
Workshop delivery and business engagement	Delivery of 4x workshops to businesses and BIDs to target additional business in-line with expansion strategy	BB & Contractor (Match funding in kind and financial)	£2	£2
Toolkit development	Costs based on previous toolkit development including time to develop content, revisions, stakeholder feedback, designing, printing and publication	BB & Borough Market (Match funding in kind and financial)		£3



Business case development	Costs based on officer time, developing content, revisions, stakeholder feedback, designing, printing and publication	BB (Match funding financial)		£3
Programme promotion	Promote programme through business engagement, online and written materials, etc. Costs include time to develop information, engage businesses, and print materials. Project team to work with businesses.	TfL, BB & Borough Market (Match funding financial and in kind)	£3	£5 (2.5K TfL)
Officer time	Project team time to develop, manage, and deliver project (x3 officers 10 days each in 2018/19 and 15 days each in 2019/20 @ £215 per day)	BB (Match funding in kind)	£6.5	£10
TOTAL Funding Requested	Funding requested from TfL	TfL	£12.5	£37.5
TOTAL Match Funding	Match funding provided by Better Bankside, Borough Market and other project partners	BB	£34	£40.5
<b>TOTAL</b>			<b>£46.5</b>	<b>£78</b>

To comply with State Aid rules in awarding financial assistance, please list funding received from public-sector sources over the last 3 financial years e.g. Transport for London, Boroughs, GLA, etc (See Appendix A in Guidance for further information)

Financial Year	Date	Funding Source	Amount £'000
2016-17	Jul-16	TfL Future Street Incubator Fund – funding granted to implement Bankside Boardwalk project	£73.2
2017-18	Apr-17	Southwark Council High Street Challenge – funding agreed to implement public realm improvements as part of the Inns & Yards project	£25
	Jun-17	Southwark Council High Street Challenge – funding granted to facilitate smalls grants scheme for business owners and landowners to improve facades of buildings	£12



	Oct-17	GLA Business Low Emission Neighbourhood – funding issued to implement a series of behavioural change and public realm projects to improve air quality and highlight air quality issues	£27.5
<b>2018-19</b>	Apr-18	GLA Business Low Emission Neighbourhood – Second tranche of funding granted to implement a series of behavioural change and public realm projects to improve air quality and highlight air quality issues	£172.5
	April-18	TfL Deliveries Reduction Fund for Businesses – Funding issued to deliver waste micro-consolidation project.	£17
	April-18	GLA Greener City Fund – Funding granted for Keppel Row Public realm improvement project	£48
	May-18	GLA Good Growth Fund – Funding won to implement further development of The Lowline	£50
<b>TOTAL</b>			<b>£425.2</b>

Please return completed application form to:

██████████ 20 July 2018

