CIVITAS IN BATH

Urban Freight Consolidation

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Bath, 3 March 2011
What are Freight Consolidation Centres?

Urban freight consolidation centres seek to reduce the number of large delivery vehicles entering the city centre by providing a facility, on the edge of the city close to the strategic road network, where goods can be consolidated for onwards dispatch in a smaller, electric delivery vehicle.

Objectives for Bath

Reduce the number of delivery vehicles in the historic city

- Reduce the damage to the fabric of historic buildings
- Improve air quality
- Reduce greenhouse gasses
- Reduce traffic congestion
UK Freight Consolidation Centres

City Centres
Bristol CIVITAS 1 VIVALDI
Norwich CIVITAS 2 SMILE
Bath CIVITAS PLUS RENAISSANCE
Enfield

Out of Town Shopping Centres
Sheffield Meadowhall
Bluewater, Kent

Airports
Heathrow
Manchester
East Midland

Bristol/Bath – First UK Consolidation Centre serving 2 cites

RENAISSANCE Freight Workshop – Bath – 3 March 2011
Two surveys of over 200 retailers were undertaken in 2009 to establish current delivery patterns and operational constraints

• Central Bath target area has over 150,000 deliveries per year;
• Helped identify the type of retailer where consolidation benefit could be maximised;
• - Medium size retailers, non-perishable goods, not very high value goods;
• 51% of deliveries by lorries, 49% by light van
• 66% of businesses who responded to the survey expressed an interest in the scheme
An Urban Green Freight Platform – the solution in practice

Traditional supply chain

Multiple vehicles deliver independently to a retail centre with individual retail units receiving multiple small deliveries during opening hours.

Causing vehicle congestion, security issues, take up of retail staff time and pollution

Consolidation centre supply chain

Suppliers deliver to strategically located warehouse on city periphery with 24 hour availability & assisted deliveries.

Product is consolidated to maximise vehicle utilisation on “final mile”, making fewer deliveries at agreed times with assistance given all the way to the retailer’s stock room or shop floor

✓ 75% reduction in goods vehicle movements

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The End-to-End Process

- **Goods In (24/7 assisted delivery)**
- **Stock handling (with full track and trace visibility)**
- **Stock request**
- **Consolidation**
- **Delivery to store (agreed delivery slots)**
- **Collections & waste management**

**Flexible**
- Central point of receipt of all supplier deliveries

**Reliable**
- Accurate inventory management

**Responsive**
- Short lead-times

**Efficient**
- Maximise environmental benefits

**Secure**
- Deliver to stock room or shop floor

Return stock from stores and recycling

**STYLEFLOW delivery and media track and trace system**

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### The Operation

- Launched May 2004 with European funding
  - Not mandatory
- Serves + 55 retail outlets
- Expanding to target companies outside retail - hotels, offices, healthcare, public sector etc
  - Smiths electric vehicle fleet
  - Deliveries 6 days per wk
  - Customer services team
- Handles wide range of delivery media
- Additional services offered at warehouse – pre-retailing, peak storage, inter-branch transfers
  - Users pay per pallet / cage rate
  - Council subsidy is required currently
- Joint scheme set up with Bath January 2011

### Benefits

#### ENVIRONMENTAL

- Electric fleet - 30% reduction in CO2, zero emissions in air quality & low noise impact
- 76% reduction in delivery trips for retailers
  - Saving +264,000 vehicle kms
  - Saving 70 tonnes of CO2, 2281kgs of Nox
- Collection & recycling of cardboard & plastics – +26,400kgs since launch

#### SERVICE

- Over half of retailers achieve 20 minute saving per delivery
  - 100% on time delivery
  - No losses or damages

#### CIVIL

- No administrative burden
- Powerful PR message
  - Leading the way in urban logistics today

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**Journey for Bath now starting ....**

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An Urban Green Freight Platform – success story for Heathrow

The Operation

- Launched 2001 - requirement for greater security & environmental savings
  - Mandatory for all airport tenants
- London Heathrow is a city with landing strip!
- Serves + 320 retailers, restaurants & bars, 60 airline offices & lounges across 5 terminals
  - 1100 deliveries & 9,500 cages per week
- Track & trace system from arrival at platform through to end delivery to user
  - DfT approved to scan airside deliveries
- 55,000 sq ft multi-temp warehouse on airport perimetre
- Value add services - emergency response of blankets, water, tents for strikes / delays, storage
- Users pay fee linked to volumes as part of annual rent negotiations
- BAA pay subsidy-reimbursed on value share

Benefits

ENVIRONMENTAL

- Reduction in pollution & traffic congestion by 70%
  - 61,000 fewer deliveries to airport
- 1,200 supplier vehicles received in, but only 325 last mile trips per week
- +700 tonnes of cardboard collected & recycled

SECURITY

- Secure flow of products visible end-to-end with one main partner

SERVICE

- 99.2% on time delivery
- 99.9% delivery accuracy
Views from the users

“DHL provides a very friendly, reliable and efficient service”

“The service has made our lives a lot easier”

“We are very impressed; the timing is perfect and the guys are very helpful”

“Excellent! The deliveries are always prompt and I like the additional attention paid to security”

- 75% of retailers participating in Bristol chose consolidation because of improved service & cost reduction
- 94% would recommend the service to another retailer

Some authorities pursuing freight platforms:
- Dublin Airport / Mayor of London / Houses of Parliament / Barcelona / Dubai / Westfield Stratford City / Perth & Kinross / Peterborough / Paris / Amsterdam / Utrecht / Bologna / Bilbao / Berlin
- Certain retailers (DHL clients) known to be very pro-trialling this concept
Thank you for your attention!