

Net zero last mile delivery planning roadmap

Version as of August 2023

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5. Design reporting and evaluation programme

Key Terms

Helpful Resources



Transport for London (TfL) and Bloomberg Associates (BA) have collaborated on this **Net Zero Last Mile Delivery Roadmap** to guide members of the London Anchor Institutions Network Green New Deal Working Group in undertaking net zero last mile delivery activities.

The Roadmap sets forth key considerations and actions for organisations to **define a net zero last mile delivery ambition, pursue planning and implementation**, and **understand and track the impact** of their last mile delivery requirements.

Anchors' current net zero ambitions, capacity, existing contracts, supplier engagement, etc. vary: to make this Roadmap widely applicable, each section outlines key questions and considerations for that stage of the process, and provides context from TfL and the GLA Group's experience.

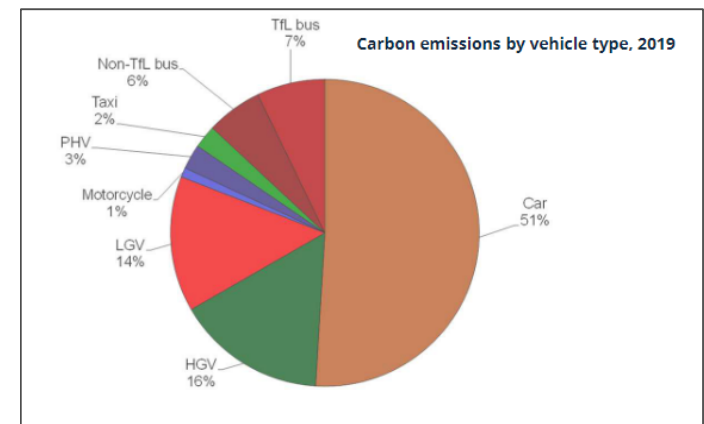
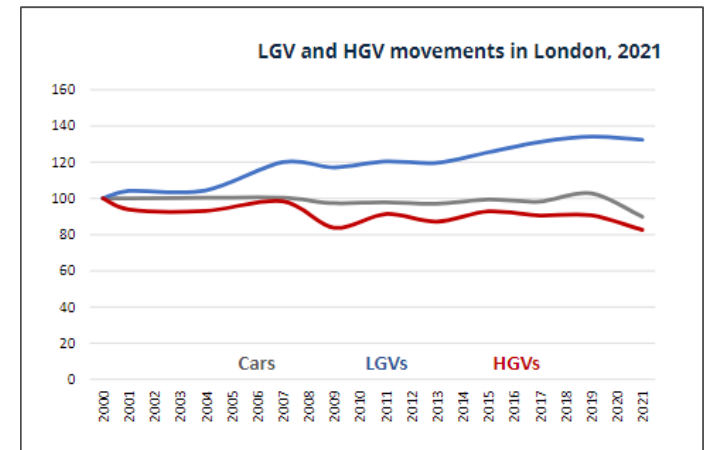
This Roadmap is a living document: as anchors advance their net zero last mile delivery planning, it will be updated to reflect their questions, learnings, and best practices.

In addition to the Roadmap, anchors will be supported in setting and pursuing their ambitions through **TfL-led information sessions in Green New Deal working group meetings (recordings available to Anchor members), 121s/small group check-ins with TfL, and tailored FAQs.**

Why it matters

Transitioning to zero or low-carbon deliveries can have an outsized emissions reduction impact:

- Freight transport accounts for **one third of UK transport emissions** (25%+ of GHG emissions in the UK); **road freight alone comprises 77% of the freight transport total** (DfT Dec 2021, BEIS 2020)
- Cars and taxis show a decrease in London historically, but freight has **increased its veh-km**, mostly driven by **LGVs take-up**.
- HGVs and LGVs represent a **30% of transport carbon emissions** (2019 figures), second only to cars.
- However, freight represents only a 17% of veh-km, which means operations are **highly carbon intense** compared with other vehicles



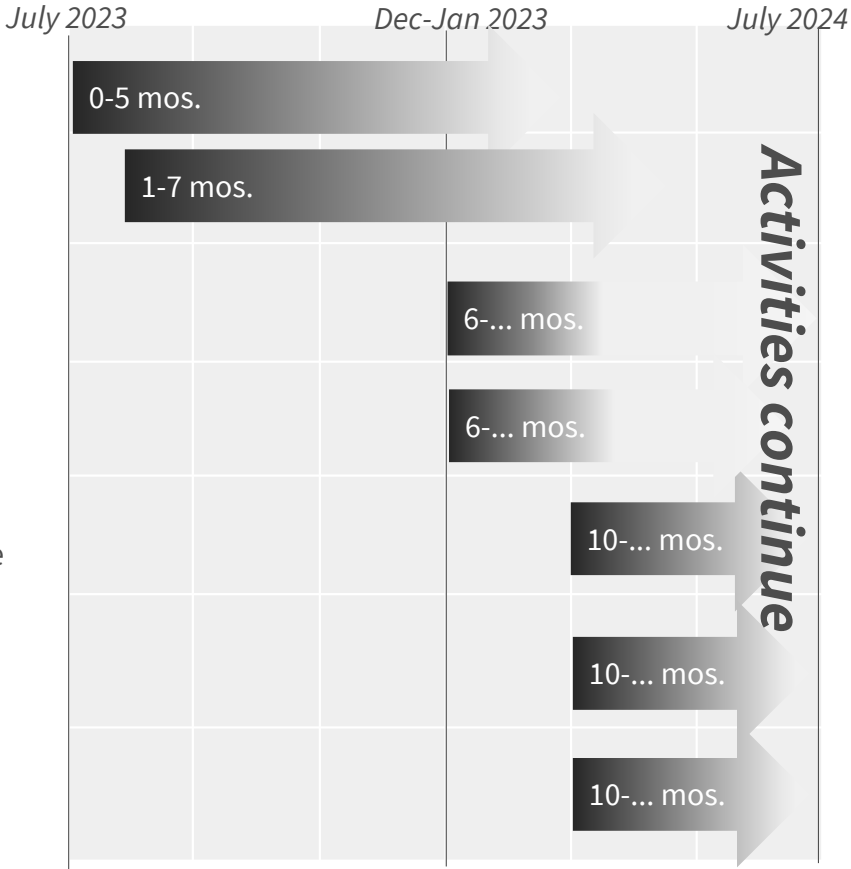
Net zero last mile action steps

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Step	Suggested duration (from project start)
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***Core sustainability/procurement team engaged throughout; strategic touchpoints to executives and other internal stakeholders.*

- 1** Developing and defining ambition
- 2** Screening and identification of contracts pipeline
- 3** Define new requirements and compliance
 - a** Identify supportive policy & planning needs including EV charging infrastructure, how to guides; training collaboration; best practice/case studies
 - b** Design plan for enforcement & monitoring
 - c** Embedding changes in procurement process – create P&C management framework, develop internal guidance
- 4** Design communication plan for supplier & market engagement*
- 5** Design reporting and evaluation programme



**Earlier-stage mapping of current supplier engagement (e.g. newsletters, webinars) is recommended to understand potential comms opportunities*

1 Developing & defining ambition

Key questions

What internal stakeholders must be engaged in planning net zero last mile delivery action?

- Is top management informed and supportive? *If not yet engaged, prepare a clear business case highlighting benefits (i.e. carbon savings, reputational and commercial benefits).*
- What internal stakeholders must be involved? Who are the key sponsors and strategic teams?
- What is the governance structure around it? How will the process will go about?

What are our existing drivers and efforts related to this ambition?

- How does a net zero last mile commitment relate to / align with existing decarbonisation actions/targets?
- What are our ambitions for our own fleet?
- Are we aligned with Governmental phase-out dates?
- What does our provider/supplier communication look like today? Are we in a position to engage them on net zero last mile deliveries?

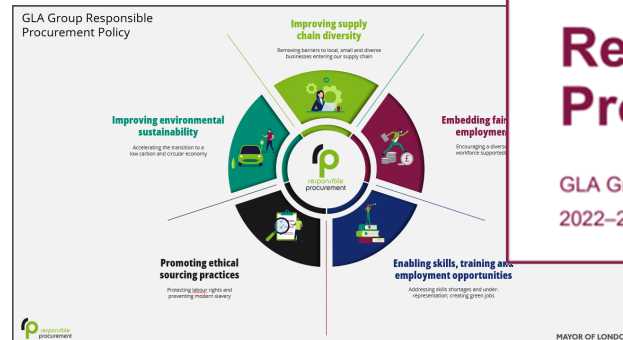
Defining the scope of the ambition

- What does last mile delivery mean to our organisation? *E.g., vehicles under 3.5 tonnes delivering directly to our sites.*
- What are the types of contracts that this target would be relevant to? *E.g., only new contracts, some types of deliveries, etc.*
- By what date is it possible to set a net zero last mile emissions target to commence? Can our organisation align with the GLA Group target?

TfL example in practice: GLA Group Ambition

Meet the TfL delivery team

- Lucy Neville, Responsible Procurement Manager, GLA Group Central RP Team
- Carolina Buneder, Principal City Planner, TfL Transport Strategy & Policy



GLA Group Ambition

To reduce emissions associated with last-mile deliveries, with all **new contracts** to require freight and servicing vehicles under 3.5 tonnes to GLA Group buildings to be zero emission **from 2025**



Accelerating the uptake of Zero Emission Last Mile deliveries through procurement

- Use procurement as a tool, changing the requirements for internal GLA Group functional bodies' procurement of freight and servicing vehicles.
- Lead by example and encourage other governmental and non-governmental organisations to use procurement as an enabler to accelerate their decarbonisation processes.

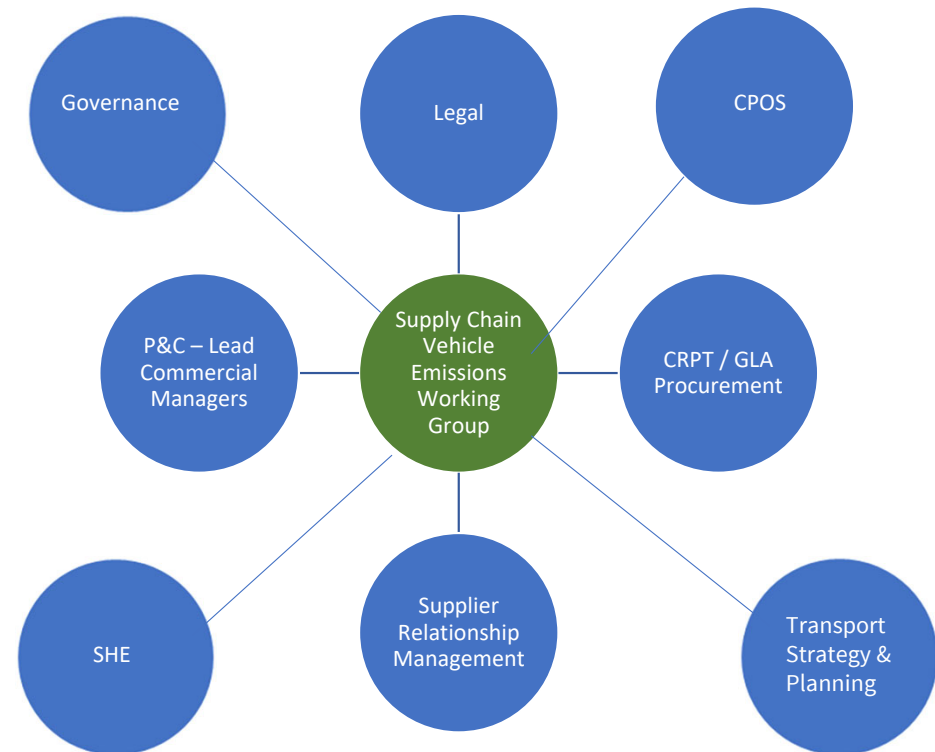
Programme planning and delivery should engage decision makers with responsibility for key areas related to last mile delivery:

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- Environment & Sustainability
- Procurement & Commercial, including supplier relationship management
- Health & Safety
- Policy & Strategy
- Compliance & enforcement
- Legal
- Governance
- Fleet management
- Communications*

Best practice to form a working group who meet periodically (typically 2-3x/month in initial phases) to advance planning, coordinate, and communicate key messages.

TfL example in practice:



**May not need to join core working group, but should be involved in planning for supplier/market engagement and communications planning ahead of implementation.*

TfL example in practice:

GLA Group Policy Drivers

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Mayor's Transport Strategy

Published: March 2018

Targets for London:

By 2026: 10% fewer lorries/vans in central London during AM peak

By 2041:

- 80% sustainable mode share
- 20 minutes of active travel/day
- Vision zero for the transport network
- 3 million fewer private car trips

By 2050: zero emission



Freight & Servicing Action Plan

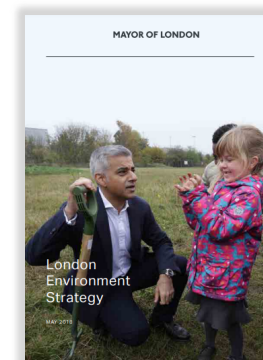
Published: March 2019

Vision: the safest, cleanest and most efficient freight transport of any city in the world

London Environment Strategy

Published: May 2018

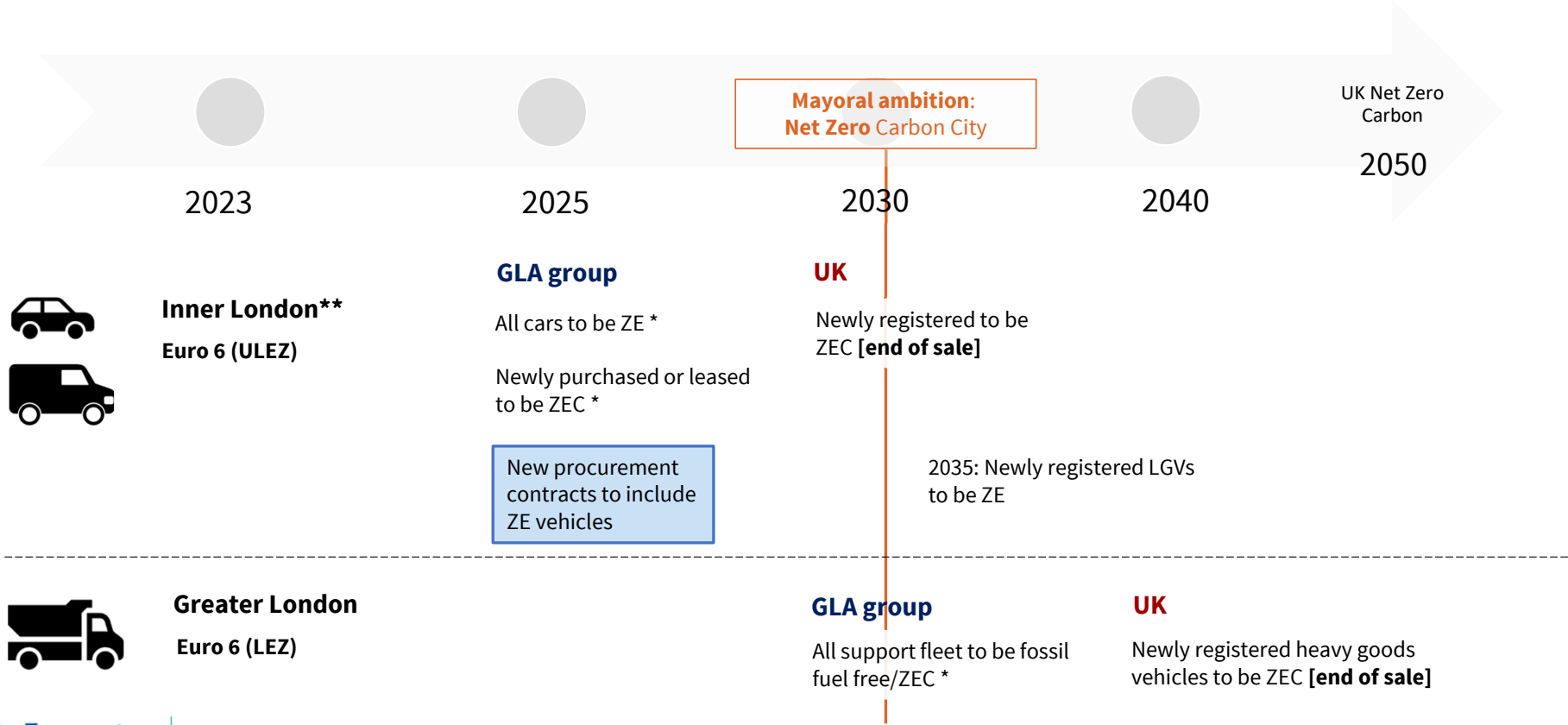
By 2050: zero emission



The Mayor declared a climate emergency in 2018, and in early 2020 set a target for London to be net zero-carbon by 2030.



London's Zero Emissions Targets



* [MTS commitment]

** Greater London from Oct 2023

TfL example in practice:

GLA Group ambition: To reduce emissions associated with **last-mile deliveries**, all **new contracts** will require freight and servicing vehicles **under 3.5 tonnes** delivering to GLA Group buildings to be **zero emission from 2025**.

Key considerations:

- **New contract requirement** enables clear and consistent signalling to the market.
- Applying requirement to **vehicles under 3.5 tonnes** accounts for current market status/challenges (i.e. EV cars and small vans are more accessible for purchase; HGV technology still nascent).
- **2025 requirement start date (set in August 2022 through the Responsible Procurement Implementation Plan)** allows for supplier engagement and for them to prepare to meet requirements, and for the GLA group to plan and implement its own action steps.
- Requirement applied only to **vehicles under 3.5t delivering to GLA buildings** to reflect current market constraints and need for larger vehicles at other stages of the supply chain.
- This is **one component of broader push for and work of suppliers to reduce travel emissions** – other ingredients include better travel planning, using other travel modes such as cargo bikes and pedicabs, etc. z

Other potential approaches may include: phasing in or limiting requirement by contract size (e.g. above £X M) or supplier size (e.g. above £X annual turnover).

2 Screening and identification of contracts pipeline

Key questions

What do our current contracts look like?

- Do any of our contracts already require use of net zero vehicles? How are these being contract managed?
- Which of our suppliers are already transitioning to net zero emission vehicles for deliveries to our site(s)? Case studies?
- What are the sizes of our contracts (e.g. how many contracts do we have above certain thresholds)?
- What are the sizes of our suppliers?

Can we identify which contracts in the pipeline will be affected?

- Do we have a register that allows the identification of contracts in scope?
- Can we work with our contract managers to understand which contracts include deliveries using vehicles under 3.5 tonnes?
- Can we identify which contracts are planned to be renewed from the agreed implementation date?
- Identify key upcoming contracts due/planned to be procured. Can we identify the contracts with the most transactional orders, i.e. number of deliveries? (Examples being stationery etc.)

TfL example in practice:

TfL has engaged with several key suppliers to understand their decarbonisation plans and actions.



PRESS RELEASE

13 JUNE 2023

Mitie charges ahead as 50% of fleet goes electric

- *Mitie announces it has transitioned 50% of its fleet to electric vehicles*
- *This milestone sets Mitie on track to meet its target of fully electrifying its fleet by the end of 2025*

Source: TfL Source: Mitie



TfL example in practice: TfL is engaging with contract managers to identify and understand details of contracts in scope and the potential impact of net zero last mile delivery requirements.

Opportunities for reducing vehicle emissions within TfL supply chain

TfL, through its commitments to the London Environment Strategy, Mayor's Transport Strategy, Freight Servicing Action Plan and the GLA Group Responsible Procurement Policy is actively exploring ways to reduce emissions from its operations, specifically from vehicle movements.

The GLA Group Responsible Procurement Implementation Plan includes ambitions to **'Reduce emissions associated with last-mile deliveries, with all new contracts to require freight and servicing vehicles under 3.5 tonnes to GLA Group buildings to be zero emission from 2025'**. Please click on the link to access the RPIP in full - https://www.london.gov.uk/sites/default/files/gla_group_rpip_2022-24.pdf

As part of this programme of work we would like to identify contracts with greatest opportunity and capture areas of current good practice. Therefore, if you manage a TfL and/or GLA Group 'live' contract which includes the use of **vehicles** (for example, deliveries and servicing requirements) please complete this short survey. The results will assist us with prioritising relevant contract requirements, guidance documents and developing a supplier engagement programme in readiness for the requirements from 2025.

(Important: Please submit **one survey** response **per contract**.)

Many thanks in advance for your assistance.

If you would like to discuss specific elements of your contract in relation to Responsible Procurement, please contact responsibleprocurement@tfl.gov.uk

Hi, Lucy. When you submit this form, the owner will see your name and email address.

1. Are any of the vehicles as part of the contract **under 3.5 tonnes**? For example, cars, car-derived vans and/or small vans.

Yes

No

Unsure

Working with internal systems teams to understand:

- **Contracts due** to be retendered from implementation date
- **Transactional orders** – to identify contracts with significant orders
- Contracts with **existing fleet requirements** including for TfL Work Related Road Risk and FORS

Source: TfL

3 Define new requirements and compliance processes

3 Define new requirements and compliance

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a Identify supportive policy & planning needs

Key questions

What is the current status of our EV charging infrastructure?

- Do we understand where charging needs will be required?
- Do we currently have EV charging infrastructure in areas accessible to suppliers? Are suppliers allowed to use it?
- Do neighboring facilities/owners have EV charging infrastructure that suppliers would be able to use?

What are our current supplier training and awareness requirements?

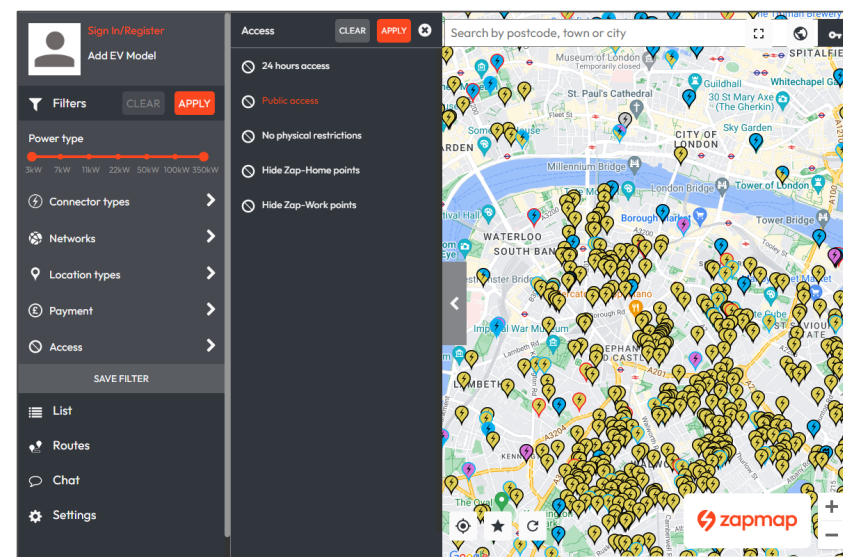
- Can net zero last mile delivery be integrated with existing requirements, or does it need to be a standalone?

What guidance/how-to materials do suppliers need?

- What kind of guidance materials do we currently use for suppliers? Can we integrate net zero last mile delivery into these?
- Are there best practices/case studies from other buyers or suppliers that we can leverage or develop?

Example in practice:

London Fire Brigade highlights Zapmap to suppliers to identify EV charging infrastructure near their buildings



3 Define new requirements and compliance

b Embedding changes in procurement process

Key questions

What are the key intervention points in the procurement lifecycle? *This will vary depending on the organisational lifecycle.*

What requirements do we need to have in place?

- Who needs to be engaged on requirement planning and signoff? *E.g., legal, governance, etc.*

What supporting internal guidance is necessary?

- What are existing requirements? *Identify them and build on content.*

What supporting external guidance is necessary? *Recommend developing emissions calculations and reporting requirements to communicate to suppliers in a standard way.*

In progress: TfL is currently engaging with internal stakeholders to map the procurement process and identify what intervention points need to be considered.

3 Define new requirements and compliance

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c Design plan for enforcement & monitoring

Key questions

What existing monitoring structures and processes are already in place?

- Are these on-site inspections or digital checks?
- Do these include tools that can be modified to allow the monitoring of this requirement?
- Are there any additional processes that are needed to track net zero last mile delivery?
- Who do we need to engage with?
- Is additional training and awareness required?
- What is the role of commercial managers of the contract when it comes to the enforcement?
- Will we consider penalisation in case the requirements are not met?

TfL example in practice:

TfL is working with its Work Related Road Risk Team (Compliance and Operations) to align work programmes to include emissions monitoring alongside its existing supplier monitoring processes.



Source: <https://content.tfl.gov.uk/suppliers-handbook-updated.pdf>

4 Design comms plan for supplier & market engagement

4 Design communications plan for supplier & market engagement

Key questions

What existing supplier engagement channels can we utilise?

- Does our organisation have a supplier relationship management team? *Identify as a key stakeholder.*
- What existing communications channels can we utilise? *E.g., supplier guides, website, supplier newsletters, webinars, events*
- Can we identify sector specific organisations to engage to share comms? *E.g., trade bodies*
- How can we signpost suppliers to information / support / resources on their transition to EV? *Resources may include London Business Hub, Energy Savings Trust*
- Does engagement need to be customised for different suppliers? *E.g., based on existing relationship/touchpoints, supplier size, location, etc.*
- Do contract managers need to be considered in that communication strategy with suppliers?
- Are there any tenders coming up in which there will be a need to liaise with suppliers or potential suppliers to communicate the ambition?

What other engagement needs to be done for potential suppliers that are not currently part of the supply chain?

Think of other potential contractors that this might be relevant to.

TfL example in practice:

- Within Procurement and Commercial, the Supplier Relationship Management Team engages with suppliers to **promote opportunities, communicate key messages** and **reduce barriers to procurement**.
- TfL exploring opportunities to work external organisations such as the Rail Industry Association (RIA) to **promote this future requirement to the market**.
- TfL currently updating its **Supplier Guide**, which provides information to current/potential on how to engage and do business
- TfL is **identifying case studies of current good practice** from the GLA Group supply chain in order to amplify.



How we engage with the market

Supplier guide
Everything you need to know about being a TfL supplier
MAYOR OF LONDON

Regional events
We organise 'meet the buyer' events to engage with suppliers nationwide. We are keen to reach out to you and understand your requirements from us in order for us to be easier to do business with. Check our events calendar to find out where you can find us in the coming months.

Market sounding questionnaires
We invite and value feedback on the commercial, technical and risk elements of proposed procurement strategies. Look out for Prior Information Notices (PINs) to express an interest in being involved in this early market engagement activity.

Industry days
Come and find us at industry days to discover more about our future requirements. These are also an excellent way to network with other suppliers in the industry.

Trade associations
We maintain regular contact with trade/industry associations and look for opportunities to engage their members in our upcoming opportunities.

Supplier engagement
We regularly communicate with both current and prospective suppliers through events, bulletins, our website and supplier awards.
You can get in touch with the team at supplierstrategy@tfl.gov.uk

12 How we engage with the market

5 Design reporting and evaluation programme

Key questions

What do our existing reporting/evaluation processes look like?

- How can net zero last mile delivery monitoring be embedded into these?
- What are key existing KPIs for our organisation? Do net zero last mile delivery metrics align with existing datapoints that the organisation is tracking?
- Given current tools and processes, what is the best way to measure the impact of this change?

In progress: TfL is currently developing approach.

KPIs to understand and track the impact of a net zero last mile delivery requirement may include:

Interim/Process

- Number of contracts due to be procured where requirement is applicable
- Number of suppliers engaged
- Value of engaged suppliers' contracts
- Number of trainings conducted/individuals trained

Impact

- Number of contracts including net zero last mile delivery requirement
- Number of trips transitioned to net zero vehicles
- Tonnage of supplies delivered via net zero vehicles
- Estimated emissions reduction from affected contracts
- Total value of contracts affected
- Number of suppliers with affected contracts

In progress: TfL is currently undertaking planning to determine and establish processes to monitor KPIs related to net zero last mile delivery impact.

Key terms

- **Greenhouse gas (GHG):** gases that absorb and trap heat in the Earth’s atmosphere, contributing to climate change.
- **Heavy goods vehicle (HGV):** A commercial motor vehicle, such as a lorry, with a total gross weight of 3,500kg or more.
- **Last mile delivery:** The final leg of the freight transportation process, where goods are transported from a distribution/fulfilment center to the end customer’s location; often the most resource-intensive and environmentally impactful segment of freight transportation.
- **Light goods vehicle (LGV):** A commercial motor vehicle with a total gross weight of 3,500kg or less.
- **Net zero:** A state of balance between human-caused emissions and emissions removals; must be achieved globally to stabilise increasing temperatures due to greenhouse gases.
- **Scope 3 emissions:** Emissions that are a consequence of a company’s activity, but come from sources that the company does not directly own/control (i.e. activities of suppliers and/or customers). Transportation and distribution, including last mile delivery, represent Scope 3 emissions for the buyer.
- **Vehicle-kilometre (Veh-km):** Unit of measurement representing the movement of a vehicle over one kilometre.
- **Zero-emission vehicle (ZEV):** A vehicle that does not emit exhaust gas or other pollutants from the onboard power source; sometimes called a ‘zero-tailpipe emission vehicle’.
- **Zero-emission capable (ZEC):** A vehicle that emits no more than 50g/km CO₂ and is capable of being operated with no (zero) exhaust emissions for a minimum range of 10 miles (16.093 km); or emits no more than 75g/km CO₂ exhaust emissions and be capable of being operated with no (zero) emissions for a minimum range of 20 miles (32.187 km).

Sources: <https://content.tfl.gov.uk/work-related-road-risk-requirements.pdf>, <https://sciencebasedtargets.org/blog/net-zero-jargon-buster-a-guide-to-common-terms>, <https://tfl.gov.uk/info-for/taxis-and-private-hire/emissions-standards-for-phvs>

Informational Resources

- [Smart Freight Procurement Guidelines \(Smart Freight Centre\)](#)
- [Sustainable Last Mile Delivery: Building a Net Zero Logistics Industry \(Sealog\)](#)
- [Electrifying the last mile \(HSBC\)](#)