

## British Land secures planning for 120,000 sq ft net zero urban logistics hub serving central London with low carbon deliveries

Paddington Central's 5 Kingdom Street logistics hub will remove around 100 large vans from Westminster's roads every day

3 May 2023

British Land has secured planning approval for an ultra-low carbon logistics hub at 5 Kingdom Street, Paddington Central. The 121,000 sq ft facility will provide inbound access to HGVs with outbound deliveries via smaller electric vehicles and electric cargo bikes.

With its excellent road and cycle connectivity, the former Crossrail works site will serve the whole of Westminster and will remove around 100 large vans from the Borough's roads every day, reducing annual carbon emissions by up to 90%<sup>1</sup>. The hub is expected to save three times the carbon absorbed by all the trees in Hyde Park. It is estimated that the site will create over 500 new jobs and training opportunities, extending the positive social impact Paddington Central has locally.

The announcement follows the recent publication of research by Centre for London and University College London (links below), commissioned by British Land in response to the demand for last mile deliveries in city centre locations.

London was identified as particularly challenging when it comes to urban logistics: its centre is distant from out-of-town hubs and traffic congestion often leads to delays, while larger vans struggle on its smaller streets and can pose dangers to pedestrians and cyclists. The research identified the potential for urban logistics hubs in central London to cut carbon and pollution from last-mile freight distribution, improve overall efficiency and reliability, and reduce delivery times and costs for operators. Using London as an example, delivering by cargo bike is 1.6 times faster<sup>2</sup> on average than delivering by van, and can enable a reduction in total distance travelled of up to 20%.

Mike Best, Head of Logistics at British Land, commented: "The post-pandemic demand for ultrafast deliveries comes with major impacts on emissions, air quality, congestion and road safety, which urban logistics hubs can combat. Replacing traditional vans with sustainable electric vehicles and bikes can deliver carbon savings of up to 90% per parcel alongside the wider positive impact on air quality and wider environment for local communities.

"British Land's skillset in delivering complex, mixed-use, sustainable developments and our strategically located portfolio means we are well positioned to unlock urban logistics space in London. We look forward to progressing our plans at 5 Kingdom Street and across our wider London portfolio."

<sup>&</sup>lt;sup>1</sup> UCL research identifies carbon savings on the last mile journey of up to 90% vs using traditional (internal combustion engine) vans.

<sup>&</sup>lt;sup>2</sup> According to <u>data</u> from PedalMe



British Land's Greater London urban logistics pipeline has a gross development value of £1.5bn and includes two sites off the Old Kent Road, Finsbury Square Car Park, and sites at Enfield, Wembley and Thurrock. To date, British Land has submitted planning applications for 1.6m sq ft of potential urban logistics space.

You can read a recent blog from British Land, UCL and Centre for London on the research reports <u>here</u>.

The reports can be accessed via the following links:

<u>University College London: 'A strategy for developing low-carbon freight microhubs in London'</u> (2023)

Centre for London: 'Urban logistics hubs: what are London's needs?' (2023)

- ENDS -

## Media Enquiries:

Charlotte Whitley, British Land 07887 802 535

Giles Barrie, FTI Consulting 07798 926 814

## About British Land

Our portfolio of high quality UK commercial property is focused on London Campuses and Retail & Fulfilment assets throughout the UK. We own or manage a portfolio valued at £14.1bn (British Land share: £9.6bn) as at 30 September 2022 making us one of Europe's largest listed real estate investment companies.

We create Places People Prefer, delivering the best, most sustainable places for our customers and communities. Our strategy is to leverage our best in class platform and proven expertise in development, repositioning and active management, investing behind two key themes: Campuses and Retail & Fulfilment.

Our three Campuses at Broadgate, Paddington Central and Regent's Place are dynamic neighbourhoods, attracting growth customers and sectors, and offering some of the best connected, highest quality and most sustainable space in London. We are delivering our fourth Campus at Canada Water, where we have planning consent to deliver 5m sq ft of residential, commercial, retail and community space over 53 acres. Our Campuses account for 65% of our portfolio.

Retail & Fulfilment accounts for 35% of the portfolio and is focused on retail parks which are aligned to the growth of convenience, online and last mile fulfilment. We are complementing this with urban logistics primarily in London, focused on development-led opportunities.



Sustainability is embedded throughout our business. Our approach is focused on three key pillars where British Land can create the most benefit: *Greener Spaces*, making our whole portfolio net zero carbon by 2030, *Thriving Places*, partnering to grow social value and wellbeing in the communities where we operate and *Responsible Choices*, advocating responsible business practices across British Land and throughout our supply chain, and maintaining robust governance structures.

Further details can be found on the British Land website at <a href="https://www.britishland.com">www.britishland.com</a>