



Southampton Sustainable Distribution Centre

Introducing a smarter way for
business to receive deliveries

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What is a Sustainable Distribution Centre?

- 'Freight consolidation involves grouping individual consignments or part-loads that are destined for the same locality so that a smaller number of full loads are transported to their destination'
- 'A distribution centre, situated close to a town centre or other destination, at which part loads are consolidated and from which a lower number of consolidated loads are delivered to the target area.'
- Widely applied within modern supply chains- NDC & RDC.
- Viewed by many as the sustainable option of city supply logistics for the future

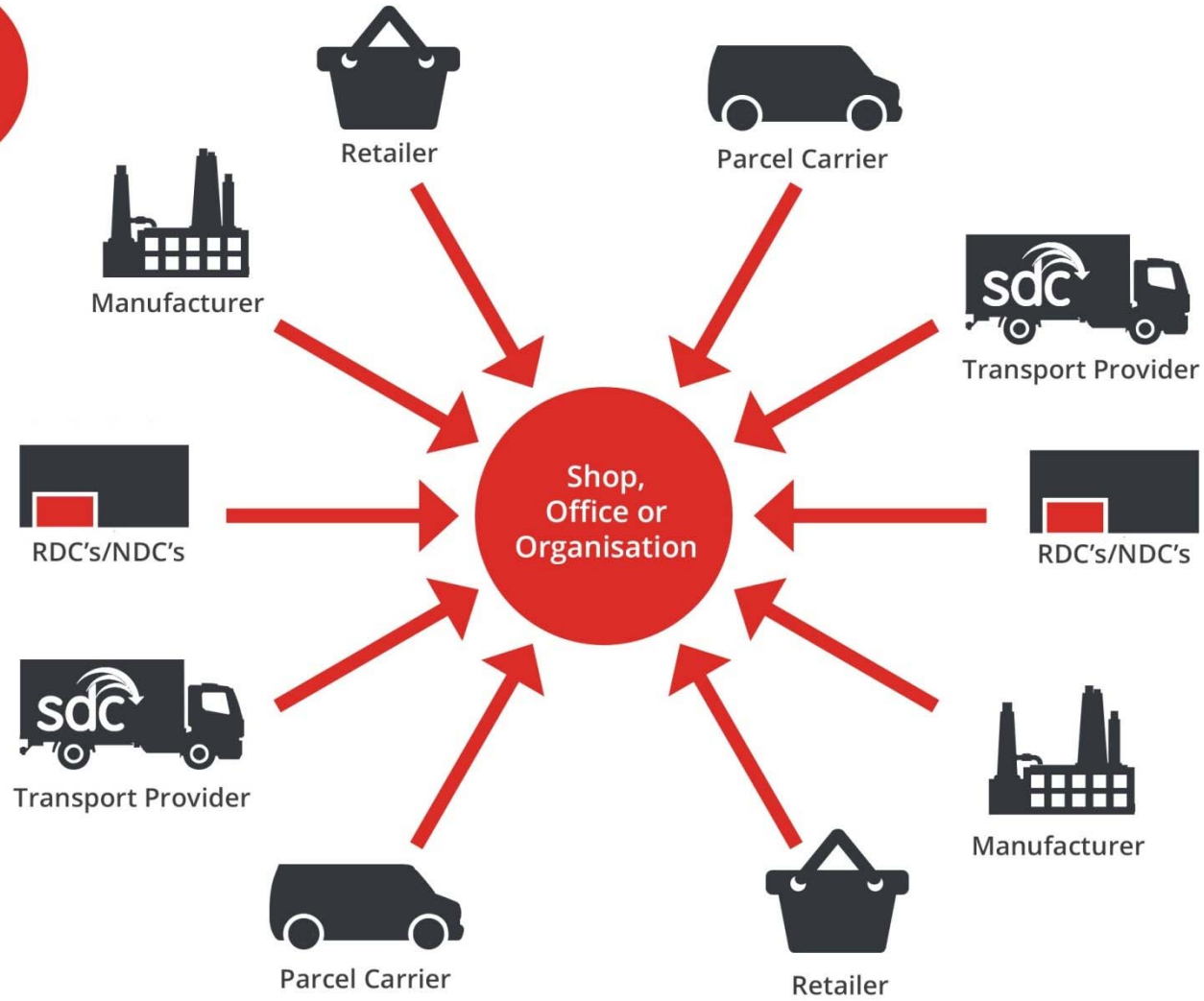


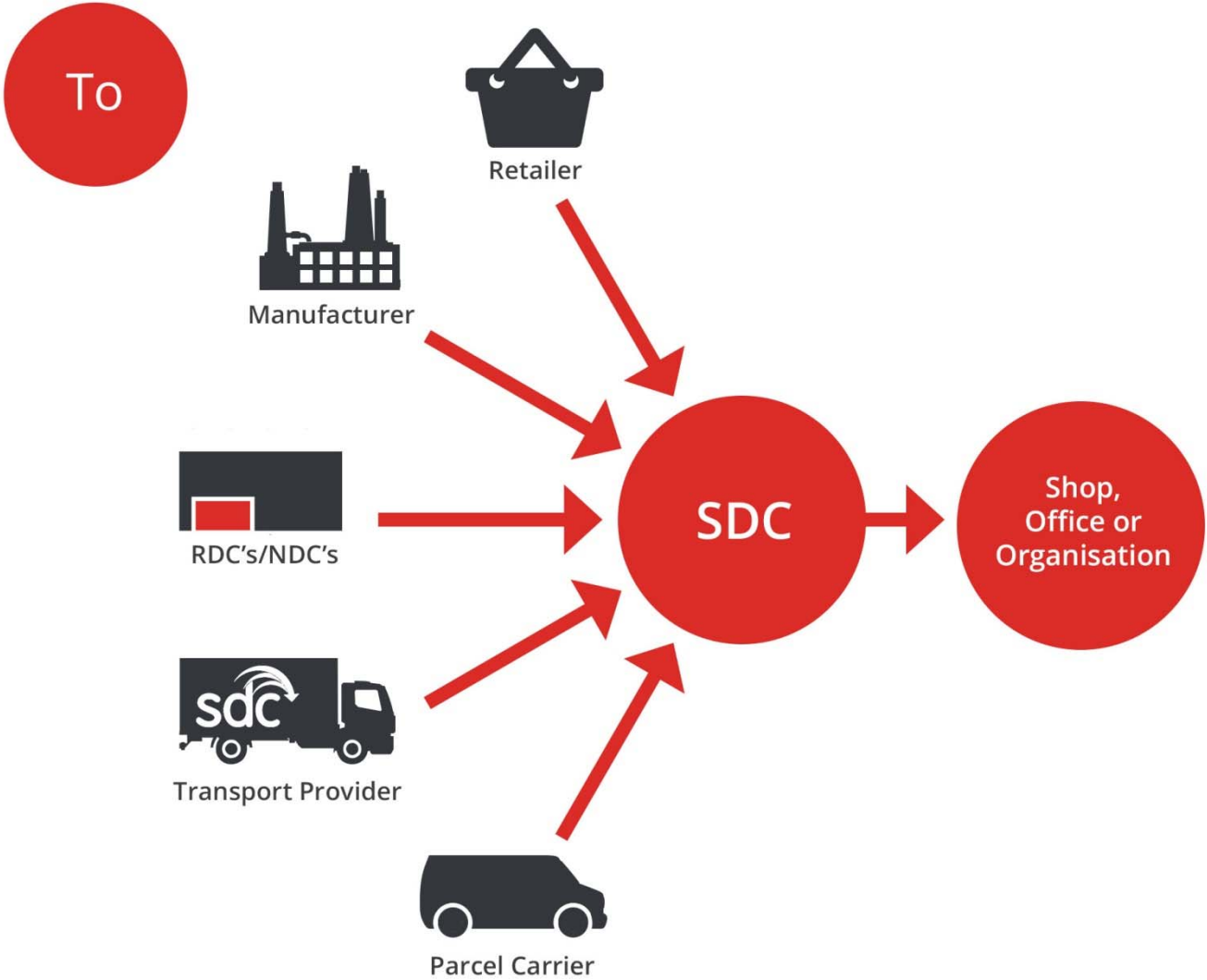
What does our Sustainable Distribution Centre do?

- **Freight Consolidation:**
 - Inbound Shipments
 - Outbound Groupage
 - Scheduled Collections/ Deliveries
 - Last mile Logistics/ Pre Solent Logistics
- **Storage Requirements:**
 - Short/ Medium/ Long Term
 - Rework/ Out of Gauge/ Inventory Management
 - Shared user/Multi Functional
- **Sustainability:**
 - Reduction in Movements/ Congestion.
 - Reduction in Pollution
 - Out of Hours Utilisation
 - Consolidated Deliveries



From







Why use an SDC?


Transport is an enabler activity. Sustainable and efficient movement of people and goods is critical to the economic success of a city and its wider region. In 2007 it was predicted that in southampton “ . . . the level of traffic on the road network is expected to increase by up to 40% by 2026 . . . ”

Purpose:

- Reduce Vehicle Movements
- Reduced Inbound Costs
- Better Control/ Bulk Purchase Opportunities
- Reduced Emissions – Improved Carbon Footprint
- Increases utilisation and efficiency.



Has it worked elsewhere in the UK?

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- **Bristol and Bath Consolidation Centre**
 - CO2 & Nox reduction of:
 - 126 tonnes of CO2
 - 6680kgs of Nox
 - **Meadowhall Shopping Centre-Sheffield**
 - Increased POS productivity
 - Reduced inventory and onsite storage
 - **London Construction Consolidation Centre:**
 - CO2 Reduced by 75%
 - 68% Fewer deliveries
 - **How and why do they fail?**

The added advantage of Southampton SDC Model

- Entirely a variable cost operation, financially sustainable.
- Including of the Public Bodies as potential users of the SDC enables a critical mass to be formed making it a viable option.
- Focus from the start on several city/town/district centres not just one.
- Established links into retail sector.
- Geographically well positioned to support the Cross Solent consolidation requirement.
- Looking to procure the service from an existing service provider.
- Added option of addition short/medium and long storage attracts a wider range of users than traditional purely retail focused.
- Outside the anticipated clear air zone.
- Strategically located on the motorway network.
- Initial public body subsidy.
- Funding and framework agreements in place.

Particular benefits for public sector?

- Time saved through framework agreement as procurement already taken place for any public body in a 20 mile radius of the SDC
- Opportunity for savings through joint procurement (bulk buying)
- Potential savings through variable rates (only pay for what you use on a weekly basis)
- Factory Gate/ Ex works pricing becomes possible
- By reducing the need for council/ customer properties you can reduce Capital borrowing by selling properties or rent out premises for extra income
- Demonstrate that you are trying to improve the economy and the environment.



User Benefits



- Reliable, controllable, direct scalable deliveries
- Increased sales/office space
- Increased ability to benefit from bulk buying
- Improved use of staff time/reduced staff cost
- Collection of returns and transfers + waste management
- Avoids congestion at delivery places
- Reduce delivery cost through cutting out last mile
- Fuel saving
- Opportunity for night time delivery
- Less delays through convenient times of travel
- Reduced wear and tear on vehicles and roads
- Less Congestion
- Less Pollution
- Just in time delivery options.
- Better inventory management.
- Alternative pick up points
- Better Security.





Thank you for your time

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