

# **Kent Academic Repository**

# **Wassan, Naveed A., Wassan, Niaz A., Nagy, Gábor and Salhi, Said (2017) The Multiple Trip Vehicle Routing Problem with Backhauls: Formulation and a Two-Level Variable Neighbourhood Search. Computers & Operations Research, 78 . pp. 454-467. ISSN 0305-0548.**

**Downloaded from** <https://kar.kent.ac.uk/54046/> The University of Kent's Academic Repository KAR

**The version of record is available from** <https://doi.org/10.1016/j.cor.2015.12.017>

**This document version** Author's Accepted Manuscript

**DOI for this version**

**Licence for this version** UNSPECIFIED

**Additional information**

## **Versions of research works**

#### **Versions of Record**

If this version is the version of record, it is the same as the published version available on the publisher's web site. Cite as the published version.

#### **Author Accepted Manuscripts**

If this document is identified as the Author Accepted Manuscript it is the version after peer review but before type setting, copy editing or publisher branding. Cite as Surname, Initial. (Year) 'Title of article'. To be published in Title of Journal , Volume and issue numbers [peer-reviewed accepted version]. Available at: DOI or URL (Accessed: date).

## **Enquiries**

If you have questions about this document contact [ResearchSupport@kent.ac.uk.](mailto:ResearchSupport@kent.ac.uk) Please include the URL of the record in KAR. If you believe that your, or a third party's rights have been compromised through this document please see our [Take Down policy](https://www.kent.ac.uk/guides/kar-the-kent-academic-repository#policies) (available from [https://www.kent.ac.uk/guides/kar-the-kent-academic-repository#policies\)](https://www.kent.ac.uk/guides/kar-the-kent-academic-repository#policies).

# Kent Academic Repository

# Full text document (pdf)

# **Citation for published version**

Wassan, Niaz A. (2016) The Multiple Trip Vehicle Routing Problem with Backhauls: Formulation and a Two-Level Variable Neighbourhood Search. Computers & Operations Research . ISSN 0305-0548.

# **DOI**

http://doi.org/10.1016/j.cor.2015.12.017

# **Link to record in KAR**

http://kar.kent.ac.uk/54197/

# **Document Version**

Draft Version

## **Copyright & reuse**

Content in the Kent Academic Repository is made available for research purposes. Unless otherwise stated all content is protected by copyright and in the absence of an open licence (eg Creative Commons), permissions for further reuse of content should be sought from the publisher, author or other copyright holder.

## **Versions of research**

The version in the Kent Academic Repository may differ from the final published version. Users are advised to check **http://kar.kent.ac.uk** for the status of the paper. **Users should always cite the published version of record.**

## **Enquiries**

For any further enquiries regarding the licence status of this document, please contact: **researchsupport@kent.ac.uk**

If you believe this document infringes copyright then please contact the KAR admin team with the take-down information provided at **http://kar.kent.ac.uk/contact.html**





## **The Multiple Trip Vehicle Routing Problem with Backhauls: Formulation and a Two-Level Variable Neighbourhood Search**

Naveed Wassan, N.A. Wassan, G. Nagy and S. Salhi Centre for Logistics & Heuristics Optimisation, Kent Business School, University of Kent, Canterbury, UK

#### **Abstract:**

In this paper a new VRP variant the Multiple Trip Vehicle Routing Problem with Backhauls (MT-VRPB) is investigated. The classical MT-VRP model is extended by including the backhauling aspect. An ILP formulation of the MT-VRPB is first presented and CPLEX results for small and medium size instances are reported. For large instances of the MT-VRPB a *Two-Level VNS* algorithm is developed. To gain a continuous balanced intensification and diversification during the search process VNS is embedded with the sequential VND and a multi-layer local search approach. The algorithm is tested on a set of new MT-VRPB data instances which we generated. Interesting computational results are presented. The *Two-Level VNS* produced excellent results when tested on the special variant of the VRPB.

*Keywords:* Routing, Multiple trips, Backhauling, VNS, Meta-heuristics

#### **1. Introduction**

We introduce a new vehicle routing problem (VRP) variant called the Multiple Trip Vehicle Routing Problem with Backhauls (MT-VRPB). The MT-VRPB combines the characteristics of the classical versions of two VRP problems studied in the literature, i.e., the MT-VRP in which a vehicle may perform several routes (trips) within a given time period; and the vehicle routing problem with backhauls (VRPB) in which a vehicle may pick up goods to bring back to the depot once the deliveries are made. Therefore in the MT-VRPB a vehicle may not only perform more than one trip in a given planning period but it can also collect goods in each trip. Since the MT-VRP and the VRPB have been studied independently in the literature, we first provide a brief description of these two routing problems.

*MT-VRP:* The MT-VRP model is an extension of the classical VRP in which a vehicle may perform several routes (trips) within a given time period. Along with the typical VRP constraints an additional aspect is included in the model which involves the assignment of the optimised set of routes to the available fleet (Taillard et al., 1996).

*VRPB:* The VRPB is also an extension to the classical VRP that involves two types of customers, deliveries (linehauls) and pickups (backhauls). Typical additional constraints include: (i) each vehicle must perform all the deliveries before making any pickups; (ii) routes with only backhauls are disallowed, but routes with only linehauls can be performed (Goetschalckx and Jacobs-Blecha, 1989).

Both the MT-VRP and the VRPB are considered to be more valuable than the classical VRP in terms of cost savings and placing fewer numbers of vehicles on the roads. These features are very important from both the managerial and the ecological perspectives. By combining the aspects of the above two models into a new model, the MT-VRPB, we achieve a more realistic model. To our knowledge, this is the first time this variant is being studied in the literature. However, there is one study that deals with time windows MT-VRPB-TW by Ong and Suprayogi (2011) where an ant colony optimization algorithm is implemented. Below we present a detailed description of our MT-VRPB model.

**MT-VRPB:** The MT-VRPB can be described as a VRP problem with the additional possibilities of having vehicles involved in backhauling and multiple trips in a single planning period. The objective is to minimise the total cost by reducing the total distance travelled and the number of vehicles used.

#### *Problem characteristics:*

- A given set of customers is divided into two subsets, i.e., delivery (linehaul) and pickup (backhaul).
- A homogenous fleet of vehicles.
- A vehicle may perform more than one trip in a single planning period.
- All delivery customers are served before any pickup ones.
- Vehicles are not allowed to service only backhauls on any route; however linehaul only routes are allowed.
- Vehicle capacity constraints are imposed.
- Note The *route length* constraint is not imposed in this study, however the model is flexible to add this constraint if needed.

Figure 1 presents a graphical example of the proposed MT-VRPB with three homogeneous types of vehicles and a planning period T; *Vehicle 1* performs two trips whereas vehicles 2 & 3 perform one trip each.



Figure 1: An example of the MT-VRPB.

The rest of the paper is structured as follows. Section 2 presents the literature review followed by a formulation of the MT-VRPB in Section 3. Section 4 explains the proposed algorithm. The computational results, including the generation of the newly created MT-VRPB data set, are presented in Section 5. Finally, a summary of the conclusions is provided in Section 6.

#### **2. Literature review**

Since there is no literature available on the MT-VRPB, we provide brief reviews for the two related routing problems namely the MT-VRP and the VRPB.

#### **2.1 MT-VRP**

The multi-trip vehicle routing was first studied in Salhi (1987) where multiple trips were conducted in the context of vehicle fleet mix. Limited to double trips, a matching algorithm is proposed to assign routes to vehicles within a refinement process. Taillard *et al*. (1996) introduced the MT-VRP model based on the classical VRP and proposed a three-phase heuristic algorithm. In the first phase, tabu search is used to generate a population of routes satisfying the capacity constraint; a set of different VRP solutions is then obtained in phase two. Routes are then assigned to the vehicles by solving the bin-packing problem (BPP) in the last phase. Moreover, a set of classical MT-VRP instances are generated in their study which are widely used in the literature as benchmarks. Brandao and Mercer (1997) studied a real world application of MT-VRP with time windows and heterogeneous fleet, and used a tabu search algorithm to solve the problem. The methodology developed in this study is adapted in Brandao and Mercer (1998) where classical MT-VRP instances were solved and compared. Petch and Salhi (2004) developed a multi-phase constructive heuristic algorithm with an objective of minimizing the overtime used in multi-trips. The algorithm obtained an MT-VRP solution by solving BPP which is improved further using the 2-Opt and 3-Opt exchange heuristic procedures. Salhi and Petch (2007) revisited their previous study described above by using a genetic algorithm which proved to be faster. Olivera and Viera (2007) studied this problem and proposed an adaptive memory programming (AMP) approach with tabu search. A set of elite routes is selected randomly from the memory and packed into vehicles solving the BPP while applying some local search refinements based on reducing the driver overtime. The AMP algorithm found feasible packing of bins (without overtime) for most of the classical benchmark instances as compared to the previous studies. Alonso, Alvarez, and Beasley (2008) studied a variant of multi-trip called sitedependent periodic MT-VRP using a tabu search algorithm. In this situation, given a planning horizon of *t* days, each customer gets served up to *t* times. Macedo et al. (2011) introduced the time windows aspect into this problem and solved the resulting model to optimality. Mingozzi, Roberti, and Toth (2013) developed an exact method based on two set-partitioning formulations to tackle the MT-VRP. A subset of 52 instances, ranging in size from 50 to 120 customers is tested and 42 are solved to optimality. For the rest, upper bounds are provided. Azi et al. (2014) recently proposed an adaptive large neighbourhood search algorithm that makes use of the ruin-and-recreate principle for the MT-VRP with the presence of service time at each node. Cattaruzza et al. (2014a) proposed a hybrid genetic algorithm for the MT-VRP that uses some adaptations from the literature. A new local search operator called the combined local search (CLS) is introduced that combines the standard VRP moves and performs the reassignments of trips to vehicles by using a swapping procedure leading to good quality results. Cattaruzza et al. (2014b) then

extended the previous model to include time windows using an iterated local search methodology to solve the problem.

It is worth noting that the early studies on the MT-VRP concentrated mostly on the modelling side of the problem and the later ones on the design of powerful methods. By extending the MT-VRP model we aim to break this gap in the literature and open a new research avenue.

Finally, we note that the MT-VRP may form part of more complex logistics problems. Of particular note is the location-routing-scheduling problem, also known as the locationrouting problem with multiple trips. This was introduced by Lin et al (2002), and solved using simulated annealing. Lin and Kwok (2006) extended this model to cater for multiple objectives. Recently, Macedo et al. (2015) developed a variable neighbourhood search algorithm for this problem.

#### **2.2 VRPB**

The VRPB has also attracted a good attention in the literature. Among exact approaches, Yano *et al*. (1987) developed a branch-and-bound framework based on the set covering approach for trucks in a retail chain industry. Toth and Vigo (1997) proposed a consolidated framework with both symmetric and asymmetric cost matrices. Their branch-and-bound algorithm obtains Lagrangian lower bound strengthened by adding valid inequalities in a cutting-plane fashion embedded in an integer linear programming model. Mingozzi *et al*. (1999) proposed a new set-partitioning based (0-1) integer programming model. This algorithm obtains a lower bound by blending various heuristic methods for solving the LPrelaxation of the dual problem.

The heuristics literature on the VRPB started in the early 80s but it was formally tackled by Goetschalckx and Jacobs-Blecha (1989) who developed a two-phase heuristic approach to solve a series of test instances which they generated. In their two-phase method, a spacefilling approach is first used to generate an initial solution for the linehaul and the backhaul customers. The solutions are then merged in the second phase to obtain a combined LH-BH solution. Jacobs-Blecha and Goetschalckx (1993) developed a generalized assignment heuristic and produced a mathematical formulation of the problem. Toth and Vigo (1999)

put forward a "cluster-first and route-second" algorithm for the VRPB. This algorithm exploits the information associated with the lower bound acquired from a Lagrangian relaxation using a new clustering method. The authors also introduced a VRPB data set based on the original VRP instances which is now commonly used for benchmarking.

The meta-heuristics are considered to be more robust methodologies to solve the VRPs. The first meta-heuristic approach to solve the VRPB was developed by Osman and Wassan (2002) who used a reactive tabu search for the VRPB. Brandao (2006) produced a multiphase tabu search algorithm whereas Ropke and Pisinger (2006) presented a unified approach based on the concept of the large neighbourhood search for the VRPB. Further, Wassan (2007) developed a hybrid model in which reactive tabu search is blended with adaptive memory programming. Gajpal and Abad (2009) proposed a multi ant colony system in which two types of ants are exercised whereas Zachariadis and Kiranoudis (2012) used a local search heuristic that explores rich solution neighbourhoods and makes use of local search moves stored in Fibonacci Heaps. Recently, Cuervo et al. (2014) introduced an iterated local search algorithm in which an oscillating local search heuristic is used. The above methodologies have their pros and cons but appear to produce high quality results. For recent developments on the VRPB the reader may refer to Salhi *et al*. (2014).

#### **3. MT-VRPB Formulation**

The MT-VRP is modelled as an integer linear program. The following formulation is similar to the two-indexed commodity flow formulation of Nagy, Wassan and Salhi (2013). However, the MT-VRPB formulation is a three-index commodity flow formulation. In three-index formulations, variables  $x_{ijk}$  specify whether arc  $(i, j)$  is traversed by a particular vehicle k or not.

The following notations are used throughout:

#### *Sets*



## *Input Variables*

- $d_{ij}$  the distance between locations i and  $j$  ( $i \in \{0\} \cup L \cup B$ ,  $j \in \{0\} \cup L \cup B$ )
- $q_i$ the demand of customer i (such that  $i \in L$  for a delivery demand and  $i \in B$ for a pickup demand)
- $C$  vehicle capacity<br> $T$  Planning period
- Planning period (maximum driving time)

#### *Decision Variables*



 $R_{ij}$  is the amount of delivery or pickup on board on arc  $ij$ 

Minimise 
$$
Z = \sum_{i \in \{0\} \cup L \cup B} \sum_{j \in \{0\} \cup L \cup B} \sum_{k \in K} d_{ij} x_{ijk}
$$
 (1)

Subject to  $\sum_{j \in \{0\} \cup L \cup B} \sum_{k \in K} x_{jik} = 1$   $i \in L \cup B$  (2)

$$
\sum_{j\in\{0\}\cup L\cup B}\sum_{k\in K}x_{ijk}=1\qquad \qquad i\in L\cup B\qquad \qquad (3)
$$

$$
\sum_{j\in\{0\}\cup L\cup B} x_{jik} = \sum_{j\in\{0\}\cup L\cup B} x_{ijk} \qquad i \in L \cup B, \forall k \in K \qquad (4)
$$

$$
\sum_{i\in\{0\}\cup L} R_{ij} - q_j = \sum_{i\in\{0\}\cup L\cup B} R_{ji} \qquad j \in L \tag{5}
$$

$$
\sum_{i \in L \cup B} R_{ij} + q_j = \sum_{i \in \{0\} \cup B} R_{ji} \qquad j \in B \tag{6}
$$

$$
R_{ij} \leq C \sum_{k \in K} x_{ijk} \qquad i \in L \cup B, j \in L \cup B; \forall k \in K \qquad (7)
$$

 $\sum_{i \in \{0\} \cup L \cup B} \sum_{j \in \{0\} \cup L \cup B} d_{ij} x_{ijk} \leq T$   $\forall k \in K$  (8)

$$
R_{ij} = 0 \qquad \qquad i \in L, \ j \in B \cup \{0\} \qquad \qquad (9)
$$

$$
x_{ijk} = 0 \qquad i \in B, \ j \in L, k \in K \qquad (10)
$$

$$
x_{0jk} = 0 \qquad j \in B, k \in K \tag{11}
$$

 $R_{ij} \ge 0$   $i \in \{0\} \cup L \cup B, j \in L \cup B$  (12)

$$
x_{ijk} \in \{0,1\} \qquad \qquad i \in \{0\} \cup L \cup B, \ j \in \{0\} \cup L \cup B \qquad (13)
$$
\n
$$
k \in K
$$

Equation (1) illustrates the objective function representing the total distance travelled. Constraints (2) and (3) ensure that every customer is served exactly once (every customer has an incoming arc and every customer has an outgoing arc). Constraint (4) states that the number of times vehicle  $k$  enters into customer  $i$  is the same as the number of times it leaves customer  $i$ . The vehicle load variation on a route is ensured by Constraints (5) and (6) for linehaul and backhaul customers, respectively. Inequalities (7) and (8) impose the maximum vehicle capacity constraint and the maximum working period constraints in which a vehicle is allowed to serve the routes, respectively. Constraints (9) forbid any load carried from a linehaul customer to either a backhaul customer or to the depot. Constraints (10) and (11) impose a restriction that a vehicle cannot travel from a backhaul to a linehaul customer and it cannot travel directly from the depot to a backhaul customer, respectively "(One may debate whether these constraints are really required in practice; we chose to include them to be in line with the subject literature). Inequality (12) sets  $R_{ij}$  as a nonnegative variable. Finally, (13) refer to the binary decision variable  $x_{ijk}$ .

The above formulation may be modified as the MT-VRP by simply setting the number of backhaul customers equal to zero using equation (14).

$$
B = \emptyset \tag{14}
$$

Moreover, the formulation can be extended to cater for the conditions where the number of available vehicles is no more than (or equals to), a given number  $K$ . This can be achieved by adding the following constraints (15) in the model.

$$
\sum_{j \in L \cup B} x_{ijk} \le K \qquad i \in \{0\}; \quad \forall \ (i \in L \cup B) \tag{15}
$$

The MT-VRPB formulation can also be reduced to the VRPB (classical vehicle routing problem with backhauls) by adding the following constraint (16) in the model.

$$
\sum_{j\in L\cup B} x_{ijk} \le 1 \qquad i \in \{0\}; \quad \forall \ (k \in K) \tag{16}
$$

Constraints (16) impose restrictions on every vehicle to be used once and therefore block the use of multiple-trips of vehicles.

#### **4.** *Two-Level VNS* **Methodology**

The steps of our *Two-Level VNS* methodology are presented as follows.

#### **4.1 Initial solution**

The Sweep method of Gillett and Miller (1974) is considered to be an efficient construction method for the VRPs. We have adapted a *sweep-first-assignment-second* based approach to generate an MT-VRPB initial solution. Initially two sets of open-ended routes are constructed by sweeping through LH and BH nodes separately. A distance/cost matrix for the assignment problem is created by including the distances between the end nodes of the open-ended routes. A dummy route containing the depot is also added to the matrix where a number of LH and BH routes are not equal. To produce combined LH-BH routes, the optimal matching is then obtained by solving an assignment problem using ILOG CPLEX 12.5 optimiser coded with C++ within Microsoft Visual Studio Environment.

#### *An Illustrative example*

An illustrative example of the problem instance *eil21\_50* is shown in Figure 2. This instance has 21 customers consisting of 11 linehauls and 10 backhauls. A matrix containing the actual distances is shown in Figure 3. The optimal assignment matching result for the example problem is illustrated in Figure 4.





<b>B1</b>		
		B2 B3 L1 $\begin{pmatrix} 17 & 69 & 22 \\ 72 & 9 & 49 \\ 13 & 70 & 30 & 42 \end{pmatrix}$

**Figure 3: Distance matrix of end nodes** 



**Figure 4: Combined LH+BH routes (problem instance no: eil22\_50)** 

#### **4.2 Two-Level VNS**

The Variable Neighbourhood Search (VNS) approach (Mladenovic and Hansen, 1997) is based on the idea of a systematic change of neighbourhoods within a local search method. The concept of VNS is simple but has proved elegant and powerful in solving a variety of Combinatorial Optimization problems. Our *Two-Level VNS* is motivated by the enhanced features used in the recent paper on VNS by Mladenovic, Todosijevic and Urosevic (2014). The details of our VNS implementation are as follows.

The basic VNS concept is enriched by embedding a Sequential VND along with two shaking steps and a set of neighbourhood schemes to achieve a vigorous diversification during the search process. Moreover, a series of local search routines at two levels of the skeleton of the VNS are used to intensify the search. The merit of the two-level strategy is that it

ensures a speedy and continuous balanced intensification and diversification by employing two shaking steps. The Pseudo code is presented in Figure 5.

#### **4.2.1 An overview of the algorithm**

The algorithm comprises of two levels, i.e., outer and inner. We have employed several neighbourhood structures along with associated local search refinements routines at both levels of the algorithm. For the outer-level we define  $N_k^O$   $(k = 1, ..., k_{max})$  as a subset of neighbourhoods and  $LS_k^0$   $(k = 1, ..., k_{max})$  as a subset of local search refinement routines; and at the inner-level  $N_l^I$   $(l = 1, ..., l_{max})$  as a full set of neighbourhoods and  $LS_l^I$  $(l = 1, ..., l_{max})$  as a full set of local search refinement routines. The neighbourhoods and the local search refinement routines are explained in subsections 4.2.2 and 4.2.3, respectively. Note that, the superscripts "O" and "I" refer to the neighbourhoods and local search refinement routines used at the outer and the inner levels, respectively. Moreover, a 3-dimentional data structure  $S_n$  is used to store the initial solution x as well as many other improved solutions during the search process.

At each cycle of the search process, the outer level of the algorithm generates randomly a transitory solution  $x'$  from  $N_k^O(x)$ . A subset  $LS_k^O$  of local search routines is utilised to improve the x'. The resulting best solution  $x'_{best}$  is then recorded and transferred to the inner level of the algorithm where a Sequential Variable Neighbourhood Descent (SeqVND) is used. At the inner level full sets of the neighbourhoods and local search refinement routines are utilised and embedded systematically within a multi-layer local search optimiser framework.

Again a transitory solution  $x''$  is generated randomly from  $N_l^I(x'_{best})$  at the inner-level transferred to  $LS<sub>l</sub><sup>I</sup>$  (the multi-layer local search optimiser framework) for improvement. If the solution obtained by the multi-layer local search approach,  $x''_{best}$ , is better than the incumbent best solution  $x'_{best}$ , then it is updated as  $x'_{best} = x''_{best}$  and the process cycles back to the same neighbourhood  $N_l^I$ . Moreover, if  $x^{\prime\prime}{}_{best}$  is found to be the same or worse compared to  $x'_{best}$ , then a new  $x''$  is generated using the next neighbourhood  $N_{l+1}^I(x'_{best})$ and the multi-level optimiser is then applied in the same manner. The process continues

with the inner-level till  $N_{l_{max}}^{I}$  is reached. At this stage, the search process shifts back to the outer-level.

Function *Two-Level VNS* (x,  $N_{k_{max}}^0$ ,  $N_{l_{max}}^1$ , *ite* $r_{max}$ ) Let:  $S_p$  = be a solution pool data structure  $S_n \leftarrow x$ iter  $\leftarrow$  1 while *iter*  $\leq$  *iter<sub>max</sub>* do \*\*\*start outer level\*\*\* | Let:  $LS_k^0 = \langle R_3, R_4 \rangle$ [Subset of local search routines] Let:  $N_k^0 = \langle N_4, N_5, N_6 \rangle$  [Subset of neighbourhood structures]  $k \leftarrow 1$ while  $k \leq k_{max}$  do  $\bigcup$  Select  $x' \in N_k^0$ [shake outer level]  $x'_{best} \leftarrow LS_k^0(x')$ ; \*\*\*start inner level\*\*\* Let:  $LS_l^I = \langle R_1 \& R_6 \rangle, \{R_2 \& R_6 \}, \{R_3 \& R_6 \}, \{R_4 \& R_6 \}, \{R_5 \& R_6 \} >$  $\vert$  Let:  $N_k^I = \langle N_1 \rangle$ [Full set of neighbourhood structures]  $l \leftarrow 1$ while  $l \leq l_{max}$  do Select  $x'' \in N_l^1(x'_{best})$  at random; [shake inner level]  $\begin{array}{c|c}\n x''_{best} \leftarrow L S_l^1\n\end{array}$ [Multi-Layer local search framework] If  $f(x''_{best}) < f(x'_{best})$  then  $\left| x'_{best} \leftarrow x''_{best}$ ;  $l \leftarrow 1$ ;  $\vert$  Else  $l \leftarrow l + 1$ : end while return  $x'_{best}$ ; \*\*\*end inner level\*\*\* If  $f(x'_{best}) < f(x)$  then  $x \leftarrow x'_{best}; S_p \leftarrow x; k \leftarrow 1;$ Else  $k \leftarrow k + 1$ ; end while return  $x$ : \*\*\*end outer level\*\*\* end while



If  $x'_{best}$  is found to be better than the incumbent x then it is updated as  $x = x'_{best}$  and the improved solution is stored  $S_p = x$ ; hence, the process of generating a transitional solution restarts from the same neighbourhood  $N_k^O$ . But if  $x'_{best}$  is found to be the same or worse than the incumbent x, a new transitory  $x'$  is generated using the next neighbourhood in  $N_{k+1}^0(x)$ . Hence, the outer-level is also iterated till  $N_{k_{max}}^I$  is reached. The process terminates when the maximum number of iterations  $iter_{max}$  is met.

The Bin Packing Problem (BPP) is then solved for a pool of solutions stored in  $S_p$  obtained by the *Two-Level VNS* using CPLEX optimiser. Note that in the cases where a solution could not be packed due to the tight bin capacity (which equates to "maximum driving time") we use the *Bisection Method* (Petch and Salhi, 2004) to increase the bin capacity (i.e., allowing overtime) and the packed solution is reported with the corresponding overtime.

#### **4.2.2 Neighbourhoods**

The neighbourhood generation is a fundamental part in heuristic search design in general and in the VRPs in particular. Six neighbourhood schemes  $(N_1,..., N_6)$  are used in this study. These are briefly described as follows. *1-insertion intra-route (N1)* relocates a customer at a non-adjacent arc within the same route; *1-insertion inter-route (N2)* relocates a customer from one route to another; *1-1 swap (N3)* exchanges two customers each taken from two separate routes; *2-0 shift (N4)* relocates two consecutive customers form one route to another; *2-2 swap (N5)* exchanges two pairs of consecutive customers taken from two separate routes; *2-1 swap (N6)* exchanges a consecutive pair of customers from one route with a single customer from another route.

The moves in all the neighbourhood schemes are conducted according to backhauling constraints conventions described in Section 1.

#### **4.2.3 Multi-Layer local search optimiser framework**

The multi-layer local search optimiser is a combination of local search refinement routines that are employed within a local search framework as described in Subsection 4.2.1. The notion of manipulating the power of several neighbourhood structures as local searches within a local search framework was originally developed by Salhi and Sari (1997) and recently been implemented in Imran, Salhi and Wassan (2009) successfully. We have adapted this idea for our *Two-Level VNS* algorithm and used six neighbourhoods of Subsection 4.2.2 as local search refinement routines  $(R_1, \ldots, R_6)$ . The order of the local search routines in the multi-layer framework shown in Figure 6 was found empirically.

The multi-layer framework search process starts with a transitory solution  $x''$  as explained in Subsection 4.2.1. Each local search routine is then executed in the order given in Figure 6 till a local optimum is reached whereas the post-optimiser routine *1-insertion intra-route* is then activated.



**Figure 6: The multi-layer local search optimiser framework flow chart** 

#### 5 **Computational experience**

The *Two-Level VNS* algorithm and the initial solution generation procedures are implemented in C++ programming within the Microsoft Visual Studio Environment. The experiments were executed on a PC with Intel(R) Core(TM) i7-2600 processor, CPU speed 3.40 GHz. The IBM ILOG CPLEX 12.5 is used to check the validity of our MT-VRPB formulation.

*Initial Solution:* The *sweep-first-assignment-second* approach is implemented, in which assignment part is solved by calling CPLEX optimiser within the Visual Studio Environment to find the optimal matching of LH-BH routes.

#### **5.1. Data sets:**

The computational experiments are reported for three data sets. Two of these (VRPB data *set-2* and *set-3,* see Toth and Vigo (1996, 1999) and Goetschalckx and Jacobs-Blecha (1989) for details) are available in the literature, and the MT-VRPB *set-1* is generated in this study.

Problem number	<b>Problem Name</b>	$\mathbf n$	L	B	C	v	$z^*$
$\mathbf{1}$	eil22_50	21	11	10	6000	1, , 3	371
$\overline{2}$	eil22 66	21	14	$\overline{7}$	6000	1, , 3	366
3	eil22 80	21	17	4	6000	1, , 3	375
$\overline{4}$	eil23 50	22	11	11	4500	$1, \ldots, 3$	677
5	eil23 66	22	15	$\overline{7}$	4500	1, , 3	640
6	eil23 80	22	18	$\overline{\mathbf{4}}$	4500	$1, \ldots, 2$	623
$\overline{7}$	eil30_50	29	15	14	4500	$1, \ldots, 2$	501
8	eil30 66	29	20	9	4500	1, , 3	537
9	eil30 80	29	24	5	4500	$1, \ldots, 3$	514
10	eil33 50	32	16	16	8000	1, , 3	738
11	eil33 66	32	22	10	8000	1, , 3	750
12	eil33 80	32	26	6	8000	$1, \ldots, 3$	736
13	eil51 50	50	25	25	160	$1, \ldots, 3$	559
14	eil51 66	50	34	16	160	1, , 4	548
15	eil51_80	50	40	10	160	1, , 4	565
16	eilA76 50	75	37	38	140	1, , 6	738
17	eilA76_66	75	50	25	140	1, , 7	768
18	eilA76 80	75	60	15	140	1, , 8	781
19	eilA101 50	100	50	50	200	1, , 5	827
20	eilA101 66	100	67	33	200	$1, \ldots, 6$	846
21	eilA101 80	100	80	20	200	1, , 7	859

Table 1: Details of the data *set-1*.

 *n*: number of customers; *C*: vehicle capacity; *v*: number of bins

 *z*\*: free fleet VRPB solution

To test our model we have generated a set of new MT-VRPB instances, *set-1,* from 21 instances of *set-2* using the original VRPB and MT-VRP conventions established in Toth and Vigo (1996, 1999) and in Taillard *et al*. (1997), respectively. We have generated 168 problem instances by using different values of  $v$  (where  $v$  is the number of bins, (i.e., 1,..., 4), starting with an integer between one and the maximum number of bins) and  $T$  (where  $T$  is a maximum driving time for each bin). Two values of Tare used,  $T_1$  and  $T_2$  for each value of  $v$ , where  $T_1$  and  $T_2$  are calculated as follows:

$$
T_1 = [1.05 \, z^* / v] \qquad T_2 = [1.1 \, z^* / v]
$$

The resulting values of both  $T_1$  and  $T_2$  are rounded up to the nearest integer, where  $z^*$ represents the VRPB solution obtained by our *Two-Level VNS* algorithm using a free vehicle fleet.

Several MT-VRPB instances are generated from each VRPB problem using  $T_1$  and  $T_2$  with the linehaul percentage of 50, 66, and 80%, respectively. Further details of the new MT-VRPB data *set-1* containing solutions (*z\**) and free fleet (*v*) found by *Two-Level VNS* algorithm are provided in Table 1. All data sets can be downloaded from the CLHO website (CLHO, 2015).

#### **5.2. Results and analysis:**

Our *sweep-first-assignment-second* approach is very fast in producing an initial feasible solution, spending less than a second on average.

The optimal solutions and upper/lower bounds for the MT-VRPB are reported in Table 3 and Table 4 for  $T_1$  and  $T_2$ , respectively. For each instance the CPLEX time was fixed to 2 hours. A reasonable number of optimal solutions are found for both  $T_1$  and  $T_2$  groups of instances, ranging in size between 21 and 50 customers along with an instance of size 100 of  $T_2$ . Within the allocated time, CPLEX found 60 optimal solutions (i.e.,  $T_1$ = 24,  $T_2$ = 36) out of all the 168 instances. The instances for which CPLEX could not find the solutions or reported as infeasible is due to either the bin(s) given time restriction and/or the instances are too large in size. We report upper bound and lower bound for those instances. CPLEX reported infeasibility in four cases where the number of bins increases and hence the given time decreases for each bin.

#### Insert Table 3 and Table 4 here

Table 5 and Table 6 report the detailed solutions of the *Two-Level VNS* algorithm along with the CPLEX results for the data *set-1* ( $T_1$ and  $T_2$ ). The algorithm is run for 200 iterations and, due to the random element, best solution is reported out of 5 runs. For  $T_1$ the algorithm

found a number of good quality (no overtime used) solutions (45 out of 84) and for the rest 39, it took less than 30 units of overtime in most cases. For  $T_2$ , 54 solutions are found without overtime and the rest (apart from a few) the algorithm did not exceed 30 units of overtime. Nonetheless, the algorithm is able to solve all the instances including 51 optimal solutions at a very low computational cost requiring on average 18 seconds per instance.

#### Insert Table 5 and Table 6 here

		$T_1$	$T_{2}$		
	<b>CPLEX</b>	<b>Two-Level VNS</b>	<b>CPLEX</b>	<b>Two-Level VNS</b>	
# of solutions found (out of 84)	24	84	36	84	
# of optimal solutions found (out					
of 84)	24	21	36	30	
Max overtime		58		52	
Min overtime					
Average overtime		10.24		5.33	
Average CPU time (s)	5165	18	4248	17	

Table 7: The summary comparison of the *Two-Level VNS* and CPLEX (data *set-1*:  $T_1$  &  $T_2$ )

It can be observed (see Table 5 and Table 6) that good quality solutions are found when the bin capacity is relatively larger and the number of bins is smaller. It can also be seen that with the increase in the number of bins, the likelihoods of overtime being used also increases. A further analysis of the results is provided in Table 7.

*Special case – the VRPB*: The *Two-Level VNS* algorithm is also tested on the VRPB where the best known results are reported. The VRPB data *set-2* and *set-3* are tested for a fixed number of iterations (400) which was deemed acceptable in terms of the solution quality and the affordable time. The algorithm produced very competitive results for both data sets. The detailed results are provided in Appendix (see Table 8 and Table 9 for data *set-2* and *set-3*, respectively). The algorithm performed extremely well when compared to the best known solution from the literature, with an overall average relative percentage deviation of 0.00 and 0.06 for *set-2* and *set-3*, respectively. In addition, all the best known solutions for *set-2* and 51 out of 62 in *set-3* are found to be the best known.

#### **6. Conclusion**

This study introduces a new VRP variant called the Multiple Trip Vehicle Routing Problem with Backhauls (MT-VRPB). An ILP mathematical formulation of the problem is produced and a new MT-VRPB data set is generated. The formulation is tested using CPLEX, and found optimal solutions for small and medium size data instances. To solve the larger instances of the problem a *Two-Level VNS* algorithm is developed that uses skeletons of the classical VNS and VND methodologies. A number of neighbourhoods and local searches are employed in a way to achieve diversification at the outer level (basic VNS) of the algorithm and intensification at the inner-level (VND with multi-layer local search framework). The algorithm found promising solutions when compared with the solutions found by CPLEX. Moreover, the algorithm is also tested on two classical VRPB instances data sets from the literature and found competitive results. It can therefore be said that this study also demonstrates the excellence and the power of VNS yet again in terms of its simplicity, flexibility, efficacy and speed.

## **References**

Alonso F, Alvarez MJ, Beasley JE. A tabu search algorithm for the periodic vehicle routing problem with multiple vehicle trips and accessibility restrictions. Journal of Operational Research Society 2008; 59: 963-976.

Azi N, Gendreau M, Potvin J-Y. An adaptive large neighbourhood search for a vehicle routing problem with multiple routes. Computers & Operations Research 2014; 41: 167-173.

Brandao J. A new tabu search algorithm for the vehicle routing problem with backhauls. European Journal of Operational Research 2006; 173: 540-555.

Brandao J, Mercer A. A tabu search algorithm for the multi-trip vehicle routing and scheduling problem. European Journal of Operational Research 1997; 100: 180-191.

Brandao J, Mercer A. The multi-trip vehicle routing problem. Journal of the Operational Research Society 1998; 49: 799-805.

Cuervo DP, Goos P, Sorensen K, Arraiz E. An iterated local search algorithm for the vehicle routing problem with backhauls. European Journal of Operational Research 2014; 237: 454- 464.

Cattaruzza D, Absi N, Feillet D, Vidal T. A memetic algorithm for the multi trip vehicle routing problem. European Journal of Operational Research 2014a; 236: 833-848.

Cattaruzza D, Absi N, Feillet D, Vigo D. An iterated local search for the multi-commodity multi-trip vehicle routing problem with time windows. Computers & Operations Research 2014b; 51: 257-267.

Cuervo DP, Goos P, Sorensen K, Arraiz E. An iterated local search algorithm for the vehicle routing problem with backhauls. European Journal of Operational Research 2014; 237: 454- 464.

*CHLO: Centre for Logistics and heuristic optimisation*, 2015, Available from: <http://www.kent.ac.uk/kbs/research/research-centres/clho/>[23 March 2015].

Gillet BE, Miller LR. A heuristics algorithm for the vehicle dispatch problem. Operations Research 1974; 22: 340-349.

Goetschalckx M, Jacobs-Blecha C. The vehicle routing problem with backhauls. European Journal of Operational Research 1989; 42: 39-51.

Gajpal Y, Abad PL. Multi-ant colony system (MACS) for a vehicle routing problem with backhauls. European Journal of Operational Research 2009; 196: 102-117.

Imran A, Salhi S, Wassan NA. A variable neighbourhood-based heuristic for the heterogeneous fleet vehicle routing problem. European Journal of Operational Research 2009; 197: 509-518.

Jacobs-Blecha C, Goetschalckx M. The vehicle routing problem with backhauls: Properties and solution algorithms. Georgia Institute of Technology; 1993 Technical Report MHRC-TR-88-13.

Laporte G. The vehicle routing problem: An overview of exact and approximate algorithms. European Journal of Operational Research 1992; 59: 345-358.

Lin C, Chow C, Chen C. A location-routing-loading problem for bill delivery services. Computers & Industrial Engineering 2002; 43: 5-25.

Lin C, Kwok CR. Multi-objective metaheuristics for a location-routing problem with multiple use of vehicles on real data and simulated data. European Journal of Operational Research 2006; 175: 1833-1849.

Mingozzi A, Giorgi S, Baldacci R. An exact method for vehicle routing problem with backhauls. Transportation Science 1999; 33: 315-329.

Mladenovic N, Hansen P. Variable neighbourhood search. Computers & Operations Research 1997; 24: 1097-1100.

Mladenovic N, Todosijevic R, Urosevic D. Two level general variable neighbourhood search for attractive travelling salesman problem. Computers & Operations Research 2014; 52: 341-348.

Macedo R, Alves C, Valerio de Carvalho J, Clautiaux F, Hanafi S. Solving the vehicle routing problem with time windows and multiple routes exactly using a pseudo-polynomial model. European Journal of Operational Research 2011; 214: 536-545.

Macedo R, Alves C, Hanafi S, Jarbouid B, Mladenovic N, Ramos B, Valerio de Carvalho JM. Skewed general variable neighborhood search for the location routing scheduling problem. Computers & Operations Research 2015; (to appear).

Osman IH, Wassan NA. A reactive tabu meta-heuristic for the vehicle routing problem with back-hauls. Journal of Scheduling 2002; 5: 263-285.

Olivera A, Viera O. Adaptive memory programming for the vehicle routing problem with multiple trips. Computers and Operations Research 2007; 34: 28-47.

Ong JO, Suprayogi. Vehicle routing problem with backhaul, multiple trips and time windows. Journal Teknik Industri 2011; 13: 1-10.

Petch RJ, Salhi S. A multi-phase constructive heuristic for the vehicle routing problem with multiple trips. Discrete Applied Mathematics 2004; 133: 69-92.

Ropke S, Pisinger D. A unified heuristic for a large class of Vehicle Routing Problems with Backhauls. European Journal of Operational Research 2006; 171: 750-775.

Salhi S. The integration of routing into the location-allocation and vehicle composition problem. PhD Thesis. University of Lancaster, Lancaster, UK; 1987.

Salhi S, Sari M. A multi-level composite heuristic for the multi-depot vehicle fleet mix problem. European Journal of Operational Research 1997; 103: 95-112.

Salhi S, Petch RJ. A GA based heuristic for the vehicle routing problem with multiple trips. Journal of Mathematical Modelling and Algorithms 2007; 6: 591-316.

Salhi S, Wassan N, Hajarat M. The Fleet Size and Mix Vehicle Routing Problem with Backhauls: Formulation and Set Partitioning-based Heuristics. Transportation Research Part E 2013; 56: 22-35.

Toth P, Vigo D. An Exact Algorithm for the vehicle routing problem with backhauls. Transportation Science 1997; 31: 372-385.

Toth P, Vigo D. A heuristic algorithm for the symmetric and asymmetric vehicle routing problems with backhauls. European Journal of Operational Research 1999; 113: 528-543.

Taillard ED, Laporte G, Gendreau M. Vehicle routing with multiple use of vehicles. European Journal of Operational Research 1996; 47: 1065-1070.

Wassan N. Reactive tabu adaptive memory programming search for the vehicle routing problem with backhauls. Journal of Operational Research Society 2007; 58: 1630-1641.

Yano C, Chan L, Richter L, Cutler T, Murty K, McGettigan D. Vehicle routing at Quality Stores. Interfaces 1987; 17: 52-63.

Zachariadis E, Kiranoudis C. An effective local search approach for the vehicle routing problem with backhauls. Expert Systems with Applications 2012; 39: 3174-3184.

## **Glossary:**

 $T_1$ : Total driving time (type one) for each bin in an instance.

 $T_2$ : Total driving time (type two) for each bin in an instance.

*v*: Total number of bins in each instance.

No. of Routes in each Bin: Number of routes served by each bin.

x: Infeasible.

NF: Not found.

Overtime: Overtime (equivalent to per unit distance travelled by a vehicle) allocated to bin(s) where needed to feasibly pack routes within bin(s).

Cost with overtime: Total solution cost including Overtime units.

Time(s): CPU time in seconds taken to solve each instance.

*n*: Total number of customers.

RPD: Relative Percentage Deviation = [(VNS Sol. - best known)/ best known \* 100].







Name	$T_{2}$	ν	Optimal Sol.	No. Routes	No. of Routes in each Bin	<b>Actual</b> Time (s)	UB	LB
eil22_50	408	$\mathbf{1}$	371	3	b1(3)	0.89	371.0000	370.6087
	204	2	375	3	b1(2), b2(1)	1.67	375.0000	374.0333
	137	3	378	3	b1(1), b2(1), b3(1)	1.22	378.0000	364.4367
eil22_66	403	$\mathbf{1}$	366	3	b1(3)	1.3	366.0000	364.7095
	201	2	382	4	b1(2), b2(2)	1.67	382.0000	366.0000
	134	3	366	3	b1(1), b2(1), b3(1)	0.59	366.0000	366.0000
eil22_80	413	$\mathbf 1$	375	3	b1(3)	2.72	375.0000	358.9261
	206	$\overline{2}$	378	4	b1(2), b2(2)	8.5	378.0000	362.2288
	138	3	381	3	b1(1), b2(1), b3(1)	24.21	381.0000	364.9274
eil23_50	745	$\mathbf{1}$	677	3	b1(3)	0.33	677.0000	677.0000
	372	$\overline{2}$	689	3	b1(2), b2(1)	1.98	689.0000	680.0000
	248	3	716	3	b1(1), b2(1), b3(1)	2.46	716.0000	682.1268
eil23 66	704	$\mathbf{1}$	640	3	b1(3)	0.75	640.0000	640.0000
	352	$\overline{2}$	640	3	b1(1), b2(2)	1.23	640.0000	631.5000
	235	3	<b>NF</b>	ΝF	NF	7200	NF	662.4548
eil23_80	685	$\mathbf 1$	623	$\overline{2}$	b1(2)	0.91	623.0000	617.8667
	343	$\overline{2}$	631	$\overline{2}$	b1(1), b2(1)	1.4	631.0000	614.5388
eil30_50	551	1	501	$\overline{2}$	b1(2)	0.44	501.0000	500.3902
	276	$\overline{2}$	501	$\overline{2}$	b1(1), b2(1)	0.73	501.0000	501.0000
eil30_66	591	$\mathbf 1$	537	3	b1(3)	3.09	537.0000	510.3183
	296	$\overline{2}$	552	3	b1(1), b2(2)	3451.24	552.0000	538.0355
	197	3	538	3	b1(1), b2(1), b3(1)	1.56	538.0000	534.6250
eil30_80	565	$\mathbf{1}$	514	3	b1(3)	10.58	514.0000	482.8207
	283	2	535	3	b1(2), b2(1)	5519.11	535.0000	468.6333
	188	3	518	3	b1(1), b2(1), b3(1)	1426.17	518.0000	500.1891
eil33_50	812	$\mathbf{1}$	738	3	b1(1)	0.44	738.0000	738.0000
	406	2	741	3	b1(2), b2(1)	2.26	741.0000	736.2820
	271	3	$\sf NF$	<b>NF</b>	NF	7200	803.0000	658.5384
eil33_66	825	$\mathbf{1}$	750	3	b1(3)	11.7	750.0000	734.5884
	413	$\overline{2}$	767	3	b1(2), b2(1)	109.26	767.0000	764.4997
	275	3	<b>NF</b>	<b>NF</b>	<b>NF</b>	7200	<b>NF</b>	746.9500
eil33_80	810	$\mathbf{1}$	736	3	b1(3)	136.31	736.0000	716.7393
	405	$\overline{2}$	NF	<b>NF</b>	<b>NF</b>	7200	<b>NF</b>	723.4224
	270	3	<b>NF</b>	<b>NF</b>	<b>NF</b>	7200	<b>NF</b>	696.3739
eil51_50	615	$\mathbf{1}$	559	3	b1(3)	11.23	559.0000	553.6224
	308	2	560	4	b1(2), b2(2)	67.17	560.0000	550.4380
	205	3	564	4	b1(2), b2(1), b3(1)	67.49	573.0000	559.6480
eil51_66	603	$\mathbf{1}$	548	4	b1(4)	11.87	548.0000	541.1877
	302	2	548	4	b1(2), b2(2)	55.52	548.0000	546.9363
	201	3	<b>NF</b>	<b>NF</b>	<b>NF</b>	7200	<b>NF</b>	521.0965
	151	4	<b>NF</b>	<b>NF</b>	$\sf NF$	7200	<b>NF</b>	539.9353

Table 4: Detailed CPLEX results for the Data set-1 (T<sub>2</sub>)





# **Table 5: Detailed comparison of the** *Two-Level VNS* **with CPLEX for the Data** *set-1* **(T<sub>1</sub>)**





# Table 6: Detailed comparison of the *Two-Level VNS* with CPLEX for the Data *set-1* ( $T_2$ )



## **Appendix**



## **Table 8: Detailed results of the VRPB (data** *set-2***)**

**Name** = instance name; *n* = number of total customers in each instance; *L* = number of linehaul customers; *B* = number of backhaul customers; *V* = fixed fleet; *VCap* = vehicle capacity; **Best Known** = best VRPB solution found in literature to date; **Two-Level VNS** = solution found by proposed algorithm; **RPD** = relative percentage deviation.



# **Table 9: Detailed results of the VRPB (Data** *set-3***)**