

FEBRUARY 2024

Logistics UK London manifesto

Unleashing the power of logistics to drive growth across the capital



Foreword



Welcome to Logistics UK's 2024 manifesto for London. With the Mayoral and Assembly elections approaching, this is a document to support policy makers to unleash the power of logistics to drive green growth across the city.

Whoever is elected in May, they will need to seize the opportunities and confront the challenges facing London for the long-term, including climate change, creating more affordable housing, and getting growth going. Our sector has a crucial role to play in addressing all of these agendas.

Logistics is one of London's largest economic sectors, playing a key role in driving growth. It creates good jobs using highly technical skills and underpins all other economic sectors. Where it is supported to thrive, it is investing in new, state of the art vehicles, facilities and logistics hubs. However, its potential is too often held back by capacity constraints on the transport network, planning barriers, skills shortages and border friction. Resolving this would deliver up to £7.9 billion in UK productivity-led growth per year.

This is why we are calling for the appointment of a Freight Commissioner working directly under the Mayor, to be responsible for implementing the Mayor's Transport Strategy freight recommendations and to secure for logistics its rightful place within the London Plan.

All goods and products delivered to London's households, businesses and public services, and

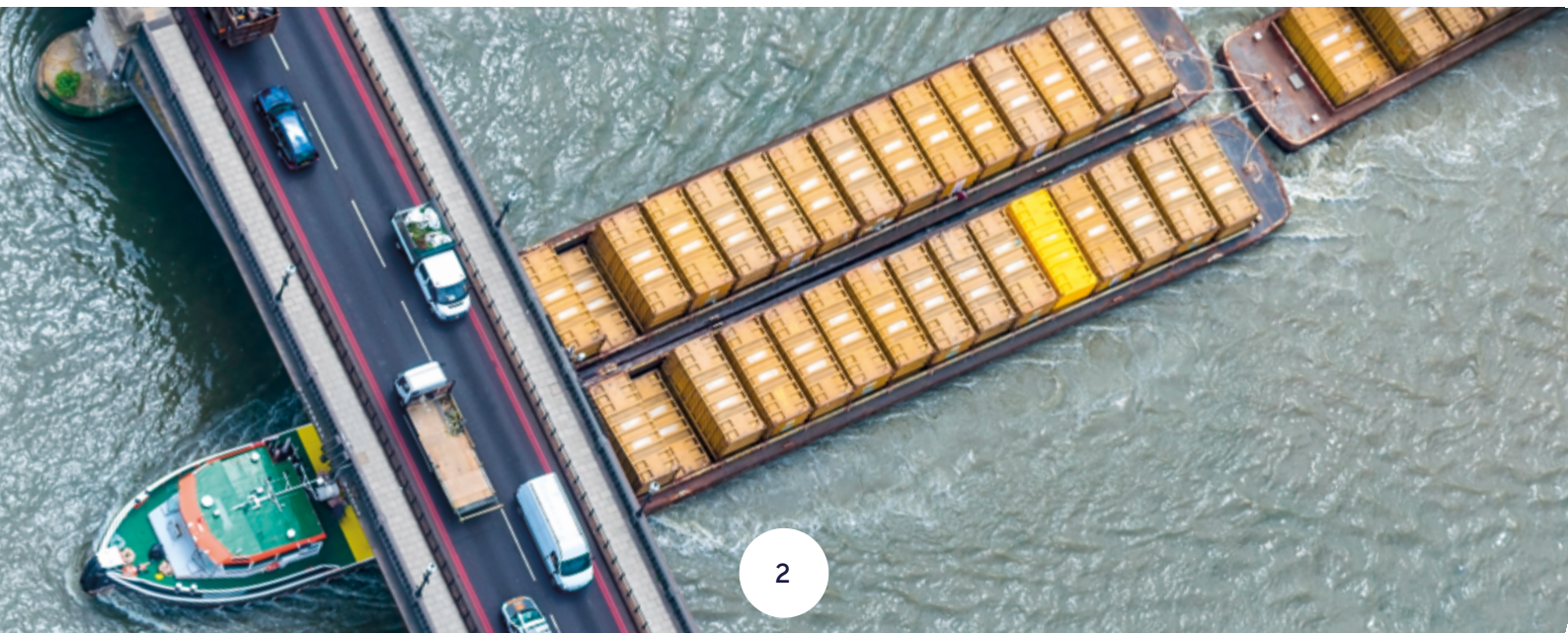
imported and exported, are moved by logistics operators – meaning we all pay for logistics services. It is incumbent upon our sector to continually strive for efficiency, avoiding adding pressure to the cost of living while maximising safety and reducing emissions. We are calling on London's politicians to work with us to do the same.

Our sector is crucial to addressing the strategic opportunities and challenges facing London, to make it cleaner, safer and more prosperous and, ultimately, a better place to live and work. It is connecting new markets, investing in automation to optimise supply chains, acting as a testbed for innovation, and is embracing the decarbonisation agenda. Delivering these transformations while supporting economic productivity and growth will require a close, trusted partnership between our sector and City Hall – and we want to see that partnership strengthened in the months and years to come.

The challenges of recent years, both national and international, have shown how logistics is essential to the everyday functioning of London: it can and must be part of the solution to meet the challenges facing the capital. This manifesto sets out how that can be delivered.



David Wells OBE
Chief Executive
Logistics UK



To unleash the power of logistics, London needs:

- **A public-private partnership** to enable efficient logistics and to develop a world-class freight and logistics environment in the capital. This should be backed by the appointment of a Freight Commissioner working directly under the Mayor to implement the Mayor's Transport Strategy freight recommendations, and to secure for logistics its rightful place within the London Plan.
- **Innovative and integrated infrastructure** to enable goods to be moved in the most productive, strategic and green way, backed by investment in river crossings and the retention of capacity on major routes, kerbside access and access to residential streets for home deliveries, as well as support for the development of new urban logistics solutions.
- **Safe logistics** with vulnerable road users protected, backed by new infrastructure and educational campaigns to support more walking and cycling in a way that supports Vision Zero, together with an approach to the Direct Vision Standard that is effective and fair.
- **A fair transition to a green economy** underpinned by radical reform of the London Lorry Control Scheme to reduce inefficient vehicle miles, support for electric vehicle charging, and recognition of the role of low carbon fuels in decarbonising logistics and improving air quality.

This manifesto sets out the key actions London can take to maximise progress on the issues that concern us all, whilst ensuring London's households, businesses and public services get the goods they need delivered – everyday.



A public-private partnership to boost productivity and growth in London

There is widespread consensus that the UK needs to radically improve its economic growth and that the capital has a key role to play in delivering that. London needs a public-private partnership to unlock investment and enable logistics to maximise the benefit it can deliver to its economy and communities, backed by the appointment of a Freight Commissioner working directly under the Mayor.

- Logistics delivers for London’s households, businesses and public services, every day.** London depends on reliable and efficient logistics to deliver food, clothes, documents, medicines, building and construction materials, and to clear waste. It is central to delivering the affordable homes that Londoners need.
- Logistics creates opportunities across London** and links it to the wider UK and global trade network. There are more than 250,000 people employed in logistics roles and over 35,000 logistics businesses in London, making, selling and moving goods. In fact, 10% of the UK’s logistics roles are in London.
- Logistics is highly innovative.** It transformed London, from its canals and railways and, from the second half of the twentieth century onwards, enabled revolutions in global trade and e-commerce. It is now innovating to deliver decarbonisation and even greater efficiency.
- Logistics delivers for the future,** as an essential system for growth. It underpins the whole economy. By putting logistics first – with the right partnerships, regulations and investment – policymakers can help deliver productivity gains that would supercharge UK GDP by £3.9 billion to £7.9 billion per year by 2030.

To unleash the power of logistics to drive growth, London needs:

- A dedicated Freight Commissioner to create a vision for enabling efficient logistics and to develop a world class freight and logistics environment in the capital.
- Radical reform of the London Lorry Control Scheme, to drive down costs by maximising supply chain efficiencies and reduce the number of vehicles required to meet customer needs.

Logistics underpins London’s economy



37,035
enterprises

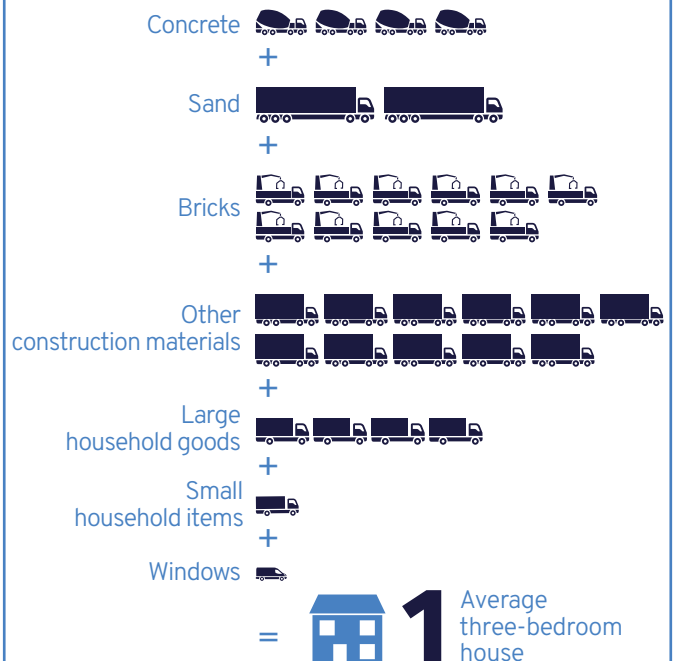
257,408
logistics employees

4.8%
of London's employees

9.7%
of all logistics employees
in the UK

Source: Repgraph analysis for Logistics UK
Labour Force Survey, Office of National Statistics Q3 2022 and Q1 2023

Delivering the house - the essential role of logistics in building new homes



Source: Analysis by Logistics UK, 2020

Innovative and integrated infrastructure

London requires investment in innovative and integrated infrastructure to enable goods to be moved in the most productive, strategic and green way.

The UK's logistics sector is becoming ever smarter and more integrated, within businesses and between logistics sites and transport modes – and the infrastructure it relies on needs to become more integrated and multimodal too. However, poor road conditions, capacity constraints and a lack of space for logistics facilities are combining to make journey planning in the capital highly unpredictable. This has resulted in London being the most congested city in the world, with the average London driver losing 156 hours due to traffic in 2022¹, while reducing options for shifting freight from road to other modes of transport.

Transport and trade policies must also be aligned. London plays an essential role connecting the UK to global trade opportunities via ports and airports, and it is vital that transport corridors between the capital and these gateways – whether managed by Transport for London (TfL), local authorities, National Highways or Network Rail – run smoothly. The city and wider country's trade ambitions also rely on sufficient capacity at key airports, particularly at night, for the delivery of just in time, high value products.

Innovation plays a key role in enabling logistics to work as an efficient system. Logistics businesses are leading the way on the use of robotics and AI, implementing new measures to support modal shift, adopting green

technologies to reduce carbon emissions and are training people in new data-based skills. In fact, logistics is at the centre of introducing cutting-edge technologies into the workplace, such as autonomous and remotely controlled vehicles, robotics and AI.

The logistics sector's infrastructure and innovation priorities for London:

- Unlocking economic growth and connectivity by delivering the Silvertown tunnel by 2025 and supporting the creation of a network of new road river crossings in East London.
- Ensuring sufficient logistics land is available in the appropriate locations and protected for future use, so that the sector can efficiently and greenly serve London's growing population. This includes space for rail terminals, wharfs, distribution centres and other warehousing.
- Supporting efficient deliveries by managing road congestion via high-quality infrastructure and improved traffic management.
- Adding night flight capacity at airports without curfews to support the UK's trade ambitions.
- The Mayor to champion innovation that is delivering an increasingly productive, green and strategic logistics system, and to bring SMEs and the logistics sector together to develop new solutions for London.

¹ Source: INRIX 2022 Global Traffic Scorecard



Fair transition to a green economy

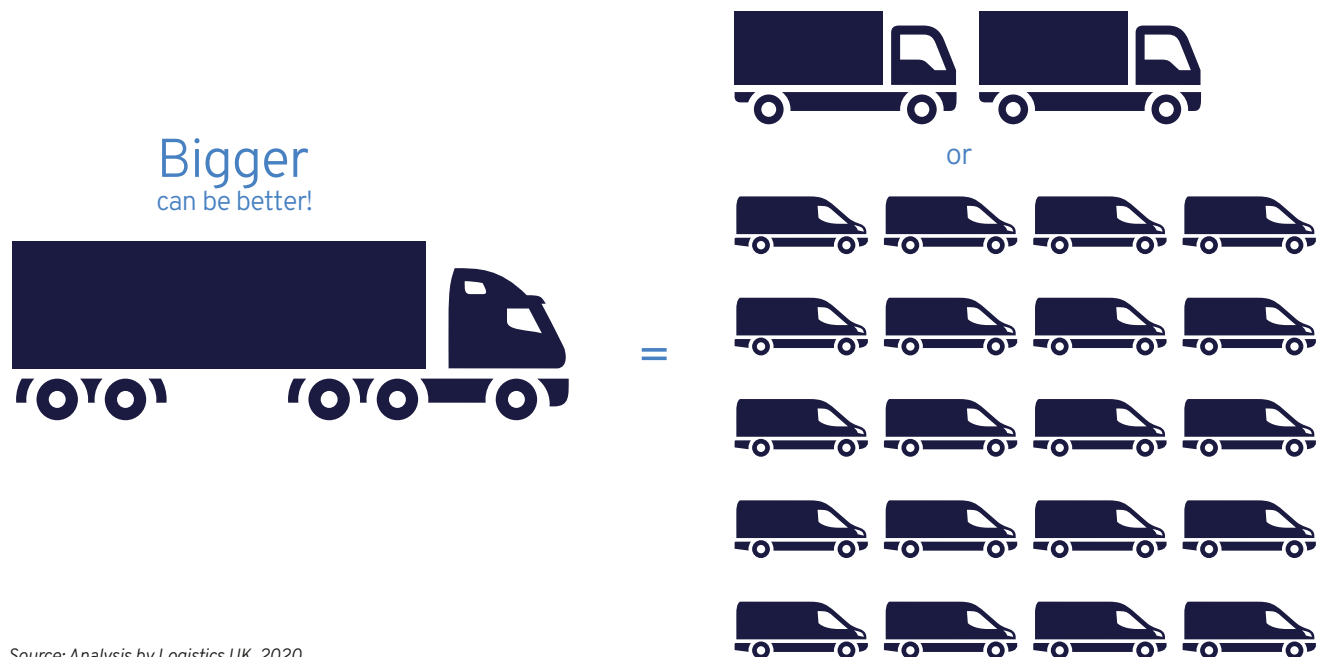
Improving London’s air quality and reducing greenhouse gas emissions is one of the capital’s highest priorities – the logistics industry recognises this and has already delivered significant progress.

The reduction of emissions from logistics must be underpinned by investment in electric charging, and not inhibited by patchworks of rules and charges that risk inefficient transport movements.

The logistics sector’s priorities for reducing emissions in London:

- Supporting radical reform of the London Lorry Control Scheme to help reduce emissions and congestion, by enabling more of London’s freight journeys to be made outside of busy peak hours.
- Avoiding HGV regulations and restrictions that force logistics movements to unnecessarily replace a single vehicle with several smaller ones, resulting in increased traffic and emissions.
- Assisting the sector with the switch to cargo bikes and electric and low carbon fuelled vehicles by ensuring sufficient logistics land is available in the right locations and with the required refuelling and recharging infrastructure.
- Extending the cleaner vehicle discount for the Congestion Charge beyond December 2025 to support logistics operators with the cost of switching to zero-emission vehicles.
- Supporting modal shift by safeguarding wharves, promoting the use of water freight and enabling access to rail paths and stations.
- Allowing access to underutilised bus lanes for zero emission logistics vehicles, and reviewing road layouts, signage and traffic signals – with the aim of delivering a smooth flow of traffic during common periods of heavy road use, to reduce congestion and lower emissions.
- Supporting the use and production of low carbon fuels, given they are crucial for decarbonising the movement of freight by rail, road, river and air.

Big vehicles play a key role in green urban logistics



Safe logistics with vulnerable road users protected

Improving the safety of vulnerable road users on London's roads has been a long-standing priority for the logistics industry, and remains so.

Logistics UK is committed to working with TfL on the safety agenda as part of the Mayor's Vision Zero campaign to eliminate road deaths in London.

We want to see safety continually improved, in partnership with the logistics sector, through high-quality infrastructure and transport planning, technology deployment, education campaigns and driver training.

We are concerned that planned reforms to the Direct Vision Standard do not take this into account, and could result in a poorly implemented scheme that increases prices without delivering significant benefits for Londoners.

The logistics sector's priorities for improving safety in London:

- Changes to the implementation of the Direct Vision Standard's 'Progressive Safe System' to ensure the scheme is effective and fair.

- Supporting radical reform of the London Lorry Control Scheme to enable more of London's freight journeys to be made outside of busy peak hours, avoiding times when vulnerable road users are travelling.
- Promoting educational campaigns for vulnerable road users on the dangers posed by larger road vehicles.
- Delivering high-quality infrastructure designed with spaces that protect vulnerable road users whilst retaining capacity on major routes, kerbside access, and access to residential streets for home deliveries to support efficient logistics that meet local and pan-London needs.
- Increasing enforcement against serially non-compliant HGV operators in London via the London Freight Enforcement Partnership, to drive up compliance with existing regulations and standards.





Logistics UK is one of the country's largest business groups, representing the entire logistics industry and supporting, shaping and standing up for safe and efficient logistics.

Our membership of over 20,000 includes global, national and regional businesses and SMEs spanning the road, rail, maritime and air industries as well as the buyers of freight services, such as retailers and manufacturers.

As an organisation, we deliver services, representation and thought leadership, helping members and policy makers to seize new opportunities for the sector and the economy as a whole, right across the country.

To discuss how to unleash the power of logistics to drive growth across the whole economy, contact:
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