Logistics UK Response to the West Midlands Futures Green Paper

Summary

- The West Midlands has a unique opportunity to lead UK economic growth, thanks to its scale, young population, and strategic national location.
- Logistics is a foundational enabler of this growth – underpinning supply chains, supporting every sector, and delivering jobs, investment, and productivity.
- The sector contributes £185 billion annually to the UK economy, employs 2.7 million people, and is central to delivering the West Midlands' ambitions on innovation, skills, and decarbonisation.
- To unlock its full potential, logistics must be treated as a strategic priority – fully embedded across planning, transport, skills, and environmental policy.
- The West Midlands Combined Authority (WMCA) should reinstate logistics as a growth cluster and appoint a dedicated logistics lead to embed the sector across regional strategy.
- Harmonising regulation, upgrading infrastructure, and investing in workforce development will strengthen resilience and attract further investment.
- With the right policy support, the West Midlands can become the national blueprint for a modern, sustainable, and inclusive logistics ecosystem.

About Logistics UK

Logistics UK is one of the country's largest business groups, and the only trade association which represents all of logistics. Our mission is to support, shape and stand up for a safe, sustainable and efficient logistics sector. Our membership of more than 20,000 includes global, national and regional businesses and SMEs spanning road, rail, inland waterways, sea and air as well as the customers of freight services, such as retailers and manufacturers. We deliver services, representation and thought leadership, helping members and policymakers to seize new opportunities for the sector and the economy as a whole, right across the country.

The logistics sector

Logistics underpins our economy and is fundamental to our way of life. It supplies our hospitals, schools, factories, construction sites, shops and homes with everything they need, everywhere, every day – nothing moves without it.

The efficiency of logistics and the productivity of the economy are completely intertwined. Due to this relationship, Oxford Economics found in 2023 that getting the policy and infrastructure environment right for logistics would unlock up to £8 billion a year in productivity-led growth.

However, we are not currently going in the right direction. The UK fell from 4th to 19th place in the World Bank Logistics Performance index over the past decade, largely as a result of border friction and underinvestment in transport corridors.

Logistics is a major sector in its own right. It contributes £185 billion to the economy each year (12% of UK non-financial GVA), is one of the UK's largest employers, providing good jobs with strong career progression – 2.7 million people (8% of the UK workforce) are employed in logistics roles, and its key hubs provide a catalyst for further growth and investment, helping places to thrive.

Logistics has transformed the UK and is now delivering for the future. It helped deliver the country's canals, roads, railways, airports and ports, has driven revolutions in global trade and e-commerce and is now innovating to deliver decarbonisation and even greater efficiency.

Consultation response

1. **Do you agree that our scale, demography, connectivity, and investment and innovation records represent the foundations for economic growth in the West Midlands?**

The West Midlands is integral to national growth and economic stability, representing 3.5% of the national economy. Improving the West Midlands economy to the national average would contribute an additional £12 billion – a transformational opportunity for the region and the UK. This represents a significant challenge and an opportunity.

In terms of demographics, the West Midlands represents the most populous and youngest city region outside of London, illustrating the opportunity for growth through the development of skills and increased productivity; but only if opportunities are unlocked and barriers to access removed.

The fact that 90% of all people and businesses in the UK are located within a four-hour journey of the West Midlands highlights the region's strategic importance to the logistics sector. This level of connectivity places the West Midlands at the heart of national distribution networks, making it a natural hub for warehousing, freight, and supply chain operations.

To fully capitalise on this advantage, the region must focus on combining scale with resilience by developing the infrastructure, workforce, and innovation needed to support efficient, sustainable logistics at pace and at volume. Enhancing this offer is not just beneficial for the logistics industry itself, but vital for broader economic growth. The logistics sector underpins the movement of goods, services, and people and ensures they move efficiently across the country and beyond.

By strengthening its logistics capabilities, the West Midlands can position itself as a national leader, supporting supply chain stability, driving investment, and enabling the success of industries across the UK.

With regards to skills and attraction, Logistics UK manages the Generation Logistics programme, a careers awareness campaign to find and engage the next generation of logistics talent. As logistics is recognised as a key growth area within the West Midlands it would be pertinent for the WMCA to develop relationships with stakeholders who are already working to improve employment opportunities within the key sectors, such as Generation Logistics.

To lead on connectivity and innovation, the West Midlands must build resilience through a fit-for-purpose logistics network. That means embedding logistics in regional planning, harmonising regulation, and accelerating infrastructure investment.

While it is important for the West Midlands to maintain a strong regional identity, Logistics UK advocates for greater consistency in transport planning across regions, including in the development of approaches to loading bays, congestion charging, and traffic regulation orders, for example. Harmonising such plans would significantly improve the efficiency and productivity of goods movement, reducing complexity for operators and supporting a more seamless and sustainable logistics network across the UK. Logistics UK is particularly pleased to see a commitment by the WMCA to work with the constituent local authorities to harmonise the existing plans that they have developed for their own boroughs, to build a fair and consistent regional framework.

The commitment to investing in innovation is a positive step and strongly supported by our members, many of whom are leading the way in transforming the logistics industry, including in the area of decarbonisation. However, the resilience and capacity of the electricity network remains a

critical barrier to such innovation. As our members accelerate their transition to zero tailpipe emission vehicles, a reliable and future-ready energy infrastructure will be essential to enabling this shift at scale.

2. **How does the WMCA's vision for inclusive economic growth compare with our everyday experience and will it inspire change?**

At Logistics UK, we manage the Generation Logistics programme, which is a nationwide careers awareness campaign aimed at engaging and attracting the next generation of logistics talent.

We believe that for careers to truly support inclusive economic growth, they must be underpinned by meaningful reform to skills funding and a long-term commitment to talent development. Logistics offers a diverse range of roles, from HGV driving to robotics and supply chain management, that not only keep our economy moving but also provide real potential for social mobility.

However, unlocking these opportunities requires close collaboration between combined authorities, educators, and the logistics sector. Together, we must remove the structural and financial barriers that prevent people from accessing careers in logistics, whether through clearer pathways, more flexible training options, or better awareness of the opportunities on offer.

We welcome the WMCA's focus on improving workforce accessibility and the recognition that diversity and inclusion are not just social priorities, but economic imperatives. With the right support, the logistics sector can play a significant role in driving both productivity and inclusive growth across the region.

Inclusive growth requires coordinated reform to skills funding, improved access to training, and stronger links between employers, educators, and combined authorities.

3. **Do you agree with our identification of the West Midlands key cluster strengths and what needs to be done to support and develop them?**

The logistics industry is a foundational enabler of economic activity and should be recognised as a key lever for growth across all sectors in the West Midlands. Despite this, the current regional strategy only references logistics in connection with the proposed "Advanced Engineering, Light Electric Vehicles and Batteries" cluster. This overlooks its crucial role in supporting other high-growth areas such as clean tech, health, housing, digital, creative industries, and manufacturing, all of which depend on efficient, reliable supply chains.

It is particularly disappointing that logistics is not recognised as a dedicated growth cluster, as it is in the existing West Midlands Plan for Growth. This omission is at odds with the investment already made by the West Midlands Combined Authority (WMCA) in convening stakeholders and shaping a vision for the West Midlands Logistics and Distribution Cluster. The region is home to a high concentration of logistics businesses that not only serve the Midlands but underpin the national economy. Their continued efficiency, sustainability, and competitiveness must be actively supported.

There is widespread consensus that the UK must significantly accelerate its economic growth, and the Midlands is central to that ambition. Realising this potential requires strong public/private partnership to unlock investment and create the conditions for logistics to thrive. To that end, we urge the WMCA to reinstate logistics as a dedicated growth cluster and appoint a senior logistics lead with responsibility for embedding the sector across the region's growth, environmental, and skills strategies. This will ensure logistics is no longer treated as a supplementary sector, but as a strategic lever for growth, inclusion and decarbonisation.

From housing to advanced manufacturing, digital services to clean technology, logistics enables progress. How goods move into, out of, and around the region is fundamental to its economic

performance. For the sector to fulfil this role, it must be able to operate on a fit-for-purpose transport network, supported by regulatory consistency across local authorities.

Currently, the logistics sector faces persistent challenges in the planning system, which often fails to fully recognise the sector's strategic importance. Local plans frequently fall short in allocating sites for logistics development or in protecting existing logistics land and infrastructure. This is compounded by a disconnect between national policy intent and local implementation.

While the National Planning Policy Framework (NPPF) rightly highlights the importance of sustainable transport and freight, its impact can be undermined by inconsistent adoption at the local level. Progress depends heavily on local authorities' understanding of and in turn support for, the logistics sector.

To address these issues, we call for improved HGV rest facilities to support a healthy, safe, and productive workforce and reduce illegal or unsafe parking. Accelerated development of technology and infrastructure, particularly for vehicle charging, to enable the transition to zero tailpipe emission logistics and a coordinated push to make the region a testbed for logistics innovation, attracting investment, supporting start-ups, and enhancing regional efficiency.

Logistics is not just a supporting function, it is a driver of regional prosperity, innovation, and inclusion. The West Midlands has a unique opportunity to lead the UK in building a modern, green, and resilient logistics system. But to do so, the sector must be given its rightful place at the heart of regional planning and economic strategy. This will ensure logistics is no longer treated as supplementary, but as a strategic lever for growth, inclusion and decarbonisation.

4. **How can Place-Based Strategies drive local economic growth, including the transformation of our town centres and high streets?**

The West Midlands has a unique opportunity to position itself as a national example for a modern, sustainable, and high-performing logistics industry, that not only meets the region's economic and environmental ambitions but also sets a precedent for other UK regions to follow. With its central location, established infrastructure, and strong concentration of logistics businesses, the region is well-placed to lead in shaping the future of urban and regional freight.

While cultivating a distinct regional identity is important, Logistics UK emphasises the need for greater cross-regional consistency in transport planning, including in developing approaches to loading bays, traffic management, and congestion charging, for example. A patchwork of local policies creates inefficiencies that hinder the efficient movement of goods.

It is essential that the logistics sector is fully integrated into planning considerations. The success of local high streets, green spaces, and residential areas depends on reliable and efficient goods movement. Coffee shops rely on early-morning deliveries to serve customers. Parks and public spaces require waste services and maintenance vehicles to operate efficiently, and residents increasingly depend on home deliveries.

These everyday services are powered by logistics, and yet the sector is often overlooked in urban planning. To avoid unintended barriers to essential services, logistics must be treated as an enabler of place-making, not an afterthought.

By embedding logistics into transport, spatial and economic strategies, the West Midlands can demonstrate how to create a region where freight supports, rather than competes with, quality of life and sustainability goals and in doing so, provides a best practice blueprint for the rest of the UK.

5. **Do you agree our proposed approach to developing the second West Midlands Net Zero Five Year Plan?**

Logistics UK agrees with the second Five Year Plan being based on a strategy of electrification.

Electrification represents a significant and necessary step in the decarbonisation of the logistics sector. However, the success of this strategy depends on comprehensive investment in the supporting infrastructure. This includes the deployment of electric vehicle (EV) charging points that are suitable for commercial and heavy goods vehicles, and the scaling up of low-carbon fuel production for modes where electrification is not yet feasible.

The logistics industry is committed to reducing its environmental impact and playing a significant role in delivering the UK's net zero ambitions. Many of our members are already investing in electric fleets, trialling innovative technologies, and adapting their operations to be more sustainable. However, their ability to do more is currently constrained by gaps in infrastructure, unclear regulatory frameworks, and insufficient engagement with industry on long-term planning.

To accelerate progress, it is vital that the logistics sector has a voice in the design and implementation of regional decarbonisation strategies. These plans must reflect the real-world challenges faced by operators, including grid connection delays, limited access to charging points, vehicle availability, and return-on-investment pressures.

Furthermore, decarbonisation policy must recognise that while electrification will play a leading role, it must be supported by investment in alternative low-carbon fuels, including hydrogen and renewable biofuels, especially for long-haul and heavier duty transport.

Without industry input and a joined-up approach, there is a risk that well-intentioned policies will be difficult to implement in practice, slowing down the very progress they aim to encourage.

Conclusion

Logistics is essential to every ambition set out in the Green Paper – from productivity and innovation to skills, decarbonisation and place-making. With the right policy framework, the West Midlands can become a national leader in sustainable logistics. We urge WMCA to act now to give the sector its rightful place at the heart of regional strategy. We urge WMCA to act now to give the sector its rightful place at the heart of regional strategy — and unlock the full economic, environmental, and social value that logistics can deliver.

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