LOGISTICS UK

EXECUTIVE INSIGHT

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TRADING INSIGHTS

Interview with

★

VICKY PRYCE

CHIEF ECONOMIC ADVISER, CEBR

★ **THE COLLABORATION GAME**
A two-part discussion on industry collaboration

★ **DEFENCE LOGISTICS**
Exploring the role of logistics in defence

EXECUTIVE INSIGHT

No 31 ★ September 2026

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LOGISTICS UK

Executive Membership

* Calls may be recorded for training purposes.

Autumnal events

As summer draws to a close it is time to look ahead to the packed Executive Membership programme we have lined up for the autumn. We kicked off with our evening of networking on the Thames, then in the coming weeks we will be hosting dinner discussions on three key topics affecting logistics: investment, skills and global trade.

Next month, we will be hosting our fourth Digital Transformation in Logistics conference, which has established itself as a flagship event for senior leaders driving innovation across the logistics sector. Then in November we will be hosting our popular Delivering Decarbonisation conference in the City of London, which brings together leaders from across the logistics, transport, energy and infrastructure sectors to explore the practical steps needed to accelerate the UK's transition to net zero.

I do hope you will be able to join us in person at as many of these events as your diaries allow, to listen, learn and contribute to the thinking and debate.

Phil Roe,
President, Logistics UK

LOGISTICS INVESTMENT – DELIVERING THE FUTURE

Informed by the findings of the recently published Logistics Investment Insight Report 2026 from Logistics UK and HSBC UK, this dinner discussion will explore the industry's investment intentions across key areas, from technology to decarbonisation. It will also examine attitudes towards borrowing and finance, and how organisations plan to fund their growth strategies in the years ahead.

Find out more

EXECUTIVE DINNER: GLOBAL TRADE

Geopolitical shifts in global trade, driven in large part by the Trump administration in the US, are reshaping UK logistics, with fluctuating demand patterns, new trade routes, and evolving freight movements across ports, airports, and road freight. These global forces create both challenge and opportunity, influencing costs, capacity and the resilience required across the sector.

Find out more

DIGITAL TRANSFORMATION IN LOGISTICS 2026

Now in its fourth year, the Digital Transformation in Logistics conference returns as a flagship event for senior leaders driving innovation, operational excellence and future-focused strategy across the logistics sector. This year's programme goes deeper than ever into the technologies, capabilities and regulatory shifts reshaping logistics – from AI and cyber resilience to autonomous vehicle trials, engineering implications and the skills required to power innovation at scale.

Find out more

Logistics UK responds to Burnham's appointment as Prime Minister

Ben Fletcher, Chief Executive, Logistics UK, welcomed Andy Burnham's appointment as Prime Minister on 20 July, and the subsequent reappointment of Jonathan Reynolds as Secretary of State for Business, Innovation, Science and Trade.

On Andy Burnham's appointment, he said: "Logistics UK looks forward to working closely with him and his government to deliver the economic and industrial growth the whole country needs, and to ensure the logistics sector remains at the heart of a competitive and resilient UK economy.

"'Manchesterism' has been a great example of how an economy and city can thrive with a clear plan that puts transport at its heart. The UK's logistics industry employs people in every constituency across the country. Our sector wants to work with the new Government to take the best of 'Manchesterism' and turbocharge its delivery, linking up every town and city in the UK, as well as helping enable over a trillion pounds of international trade."

The logistics sector, Fletcher argued, will be vital to the UK's

Logistics UK responds to Burnham's appointment as Prime Minister

Ben Fletcher

reindustrialisation and growth plans, underpinning as it does the wider economy.

"Our sector's hubs and workforce are embedded in communities across the country, providing skilled jobs, rewarding careers and enabling businesses to trade, domestically and internationally. As the government continues its drive for industrial growth and devolution, logistics has a key role to play in ensuring investment translates into improved standards of living and opportunities in every region and nation of the UK."

On the reappointment of Jonathan Reynolds as Secretary of State for Business, Innovation, Science and Trade, Fletcher said that Logistics UK looked forward to working closely with him again to support the government's ambitions for economic growth, investment and good jobs across every part of the UK.

"Through his leadership of the *Modern Industrial Strategy*, Mr Reynolds highlighted the essential role logistics plays in enabling businesses to manufacture and trade, and the vital contribution it makes to local economies and job creation across all four nations. With the government focused on boosting productivity and strengthening UK industry, recognition of logistics' importance as a foundation of the economy will be critical to delivering growth in every region and nation. Mr Reynolds understands that the choices ahead of us are not between services and industry, but about how both of them together can turbocharge growth – a stronger logistics capability can be the catalyst the economy needs."

Over the past two years Logistics UK has worked closely with the government to ensure that the role logistics plays in driving industry forward is clearly recognised. Fletcher continued: "Jonathan Reynolds' reappointment is a positive sign that this recognition will continue, and we stand ready to work with government to deliver the long-term prosperity and higher living standards we all want to see." ■

Find out more

Planned education reforms "a powerful opportunity to tackle unemployment", says Logistics UK

The Prime Minister's planned education reforms announced on 28 July, which aim to build closer links between employers and young people in their local areas, are a powerful opportunity to tackle unemployment for those entering the jobs market, Logistics UK has said.

By ensuring young people develop the skills that local employers need while highlighting careers many may never have considered, as Ben Fletcher, Logistics UK's Chief Executive, explains, the reforms should help to build the workforce British industry needs for the long term:

"The logistics sector is one of the UK's largest employers, supporting 8% of the national workforce, with thousands of exciting, technology-enabled roles in logistics hubs in communities across the country, including the Midlands and the North of England.

"For the past four years, our sector has led the Generation Logistics campaign to showcase these opportunities to young people and educators and build awareness of the opportunities that the sector has to offer. The fact that opinions have started to alter towards careers in logistics shows that opinions can change, but with so many sectors finding it hard to recruit new talent, it is important that industry continues to build strong links with employers.

"Combined with the Prime Minister's devolution agenda, these education reforms create an even greater opportunity for employers and schools to work in partnership, inspiring the next generation and equipping them with the skills they need for rewarding careers."

Under Andy Burnham's plans, which he aims to start from October 2028, local mayors and administrations will build links between schools, colleges and employers to develop technical training to address local skills needs directly. Prioritised funding will be made available for vocational and technical qualifications, while Ofsted will be given guidance to recognise these choices alongside more traditional qualifications.

Find out more

Specialist logistics minister recognises industry's value, says Logistics UK

The news that Department for Transport Minister Keir Mather has been appointed Minister for Maritime, Aviation and Logistics in the latest round of ministerial appointments made by Prime Minister Andy Burnham has been welcomed by Logistics UK.

Keir Mather

"Minister Mather has always been a great champion of our industry's work," says Ben Fletcher, Logistics UK's Chief Executive, "and we welcome his appointment to oversee engagement with our vital industry. For some time, we have been urging government to appoint a specialist logistics minister and recognise the value that our industry contributes to the smooth operation of UK PLC. The expansion of Mather's role now demonstrates the critical role that logistics can play in the rejuvenation of the UK's economy and shows that the government is listening to us.

"Our industry is key to the provision of every item that the UK needs to grow and flourish, and we look forward to working closely with Minister Mather and his team to help power the government's plans for growth in the coming months."

Although logistics is one of the UK economy's success stories, there is still more it can do to help drive the economy forwards, Fletcher concludes: "Our sector already contributes £175 billion in GVA every year and employs 8% of the UK's workforce: in fact, our industry enables more than £1 trillion of international trade every year. But we can and want to do more – independent research by Oxford Economics in 2023 found that the sector has the potential to boost UK economic growth by a further £8 billion a year, something we are keen to work closely with Minister Mather and his team on in the coming months." ■

Find out more

Vicky Pryce

Senior Economic Adviser, Centre for Economics and Business Research (CEBR)

VICKY Pryce was formerly Joint Head of the UK Government Economic Service and a partner and chief economist at KPMG, following senior positions in banking and the energy sector. She is a Fellow of the Royal Economic Society and of the Society for Professional Economists, a Companion of the British Institute for Management, and a Fellow of the Academy for Social Sciences. She is Chair of the Economic Advisory Council for the British Chambers of Commerce and Chair of the think tank Radix Big Tent. Her latest book, *Mismanaged Decline: What Politicians Won't Tell You About the Economy*, with Andy Ross, was published in November 2025.

IN PROFILE

Vicky Pryce

On 9 July 2026 she delivered the keynote at the fourth Logistics Finance Forum, an annual senior engagement event hosted by Logistics UK.

You hail from Greece originally and came to London as a teenager to study economics at the LSE. What was it that made you want to study economics and then follow it as a profession?

That's an interesting question, because while I was doing well at school, I didn't really like anything very much except reading, languages and maths. I did, in fact, do my secondary education mostly in German as was attending the German School of Athens. The plan was that I was going to go and study at a German university. The question was, of course, what. While I was good at maths, I wasn't particularly keen on any other science subjects, even though I was in the science stream. But I knew that you needed maths for economics. So, I thought, well, that's good. Why not do economics? And that's basically how I ended up with economics. And what I did like about the subject? Frankly the thing that attracted me to economics is that in many ways, anything goes, and there didn't seem to be just one given answer to a specific question, as much depended on the underlying assumptions, that one could play with anyway. The fact that economists tended to disagree with each other on so many issues was fascinating. Why did I end up in the UK and the London School of Economics? Well Greeks tend to need to be able to master a lot of languages if they want to succeed. We had French as the first foreign language we learned when we were small and after German my father thought that English had to follow. So, he made the mistake of sending me to London one summer when I was in my mid-teens. One look at London and I was hooked. At the age of 17, I left and came to the UK, and I have not regretted it.

Following a stint as a corporate economist, you spent the middle part of your career in the Civil Service during the Blair/Brown governments, becoming Joint Head of the UK Government Economic Service. What did that time teach you about the limits of the government's ability to steer and shape the UK economy?

I had some knowledge of government working as was involved in numerous assignments for the public sector while a partner at one of the big four accounting firms. My team loved working with those very bright economists and policy advisers in the Civil Service, even though hourly fees tended to be lower than those with private sector clients. So, I already knew how influential providing the right evidence could be for policy making. Of course, occasionally advice was ignored as it didn't suit Ministers politically. But as I have written in my co-authored book, *Mismanaged Decline*, making decisions based not on evidence but on ideology can have very negative, if not disastrous results.

I was headhunted to move to the Civil Service as Chief Economic Adviser to the then Department of Trade and Industry. I didn't expect anyone to approach me for that type of job, given that I was only a naturalised Brit, but the UK Civil Service was then and still is now much more open than other countries in Europe to a more diverse workforce and encourages considerable flexibility in working practices. When I moved in, I found a lot of people who were previously my clients became in fact part of my team, which made life very easy. Funnily enough, I was asked by the permanent secretary of the DTI at the time how would I cope with the bureaucracy in the Civil Service. 'You haven't worked for the accounting firm I was a partner of', was my reply.

We have had a recent change of government, with John Healey taking over the reins as Chancellor. Are you seeing any fundamental changes so far with regards to economic policy, compared to the Starmer administration?

That's a really interesting question, because what we have seen in the early days of the changeover are

Vicky Pryce

serious attempts to improve the public's mood and improve consumer business confidence with various cost-cutting initiatives. I think [the Starmer administration] had made the big mistake of getting everyone worried about what was to come in terms of tax increases and other measures to fill what seemed like a big black hole left in public finances by the previous Government. That worry of extra costs about to be piled on to businesses constrained investment, and this was reinforced once new tax policies were announced, such as the rise in the National Insurance Contribution (NIC) rates for employers and the lowering of the threshold from which that NIC rate was payable. The fundamental policy error very early on was not to reverse Jeremy Hunt's earlier two 2% cuts in the employees National Insurance Contributions in January 2024 and then again in April 2024, that cost £20 billion overall, and which of course left the new Labour Government with a big black hole which has plagued them ever since. While the need to improve the NHS with extra money and fulfil other manifesto pledges is understandable, the rise in employer NICs have raised business costs and been a drain on growth.

Admittedly, it isn't easy to get more growth when you have a fiscal constraint and markets are watching your every announcement while geopolitical pressures and cost of living issues, as well as the fallout from rising business costs, are all constraining growth anyway. Trade in goods had, in any case, been affected by Brexit and many manufacturing sectors were suffering anyway even before the impact of the US tariffs war. And the UK entered the latest cost-of-living crisis fuelled by the war in Iran with interest rates and inflation levels higher than all other G7 countries. Servicing a growing debt level has become a major pressure on government finances as bond yields stayed stubbornly high reducing mortgage affordability and adversely affecting the housing market and borrowing costs more generally. The Iran war also put paid to hopes of inflation averaging at or below target in 2026 and Bank of England interest rates coming gradually down through the year.

How can one get out of this? With difficulty. The uncertainty of the Iran conflict and the impact on business and the cost of living remains. The war in Ukraine continues and trade routes remain affected. There are increased sanctions and trade restrictions everywhere. The UK/EU reset is moving slowly, though it may well be accelerated under the new administration. The previous Labour administration had got themselves boxed into a corner on the fiscal front even though the UK doesn't stand out particularly in this respect – other countries in Europe are more indebted

Vicky Pryce

Vicky Pryce with Ben Fletcher.

and have higher debt-to-GDP ratios but seem able to borrow more cheaply. But at least under Rachel Reeves as Chancellor, the Office for Budget Responsibility allowed itself some more flexibility in the calculations of the limits of the fiscal rules by factoring the value of the assets that the public sector might be investing in, so there is perhaps some more room for manoeuvre on borrowing and spending, especially on infrastructure which the new administration is showing early signs of wanting to explore, which will be good news.

Talking about the longer term, as economists working in the Civil Service, the one frustration we always had was the lack of coordination across departments. And even where it existed, the emphasis still tended to be short term and dictated mostly by the political electoral timetable.

But focussing on the longer-term impact of policies is also crucial. I would, therefore, say that the Andy Burnham emphasis on a 10-year plan, if indeed that is retained and reinforced, is very welcome. The question is: how this will be translated in practice?

Vicky Pryce

As an economist, how integral would you say the logistics and supply chain sector is to the wider UK economy?

I would say hugely, you can't get anything done otherwise. So, it's not just in terms of the movement of goods within the UK, exports, imports, all that, but also the efficiency with which you're doing it. Properly managed logistics are vital for productivity and growth. We all saw the impact on the economy of the supply chain shock during COVID and after and the very clear link between the length of delivery of supplies from wherever they might be, also often necessitating longer routes and higher freight charges, and then the prices paid by consumers. So, anyone who might be interested in cost-of-living issues, such as Andy Burnham, is going to have to absolutely worry about the sector and its cost base, and the infrastructure, including that for proper use of AI, needed to support it. And I haven't even touched on the positive impacts of a strong logistics sector for regional prosperity, which is of course a priority for Andy Burnham.

"Properly managed logistics are vital for productivity and growth. We all saw the impact on the economy of the supply chain shock during COVID and after."

Logistics is all about optimising efficiency. How do you think emerging sectors like AI and technology can help boost the industry's productivity and growth?

Information technology is clearly an integral part of logistics operations and AI is playing an increasing role. The truth is that so far, for the economy as a whole, we haven't quite seen a general improvement in productivity, though some US data is beginning to show big impacts in some sectors. And we still don't know what the rapid advances in technology will do to jobs and skills in the sector and to overall demand for traditional logistics operations. In the meantime, cyberattacks against financial institutions, manufacturing and wholesale and retail distribution have highlighted serious security issues that have an indirect impact on the sector if activities are disrupted. And the future in this area remains uncertain, including on the evolving regulatory framework.

During your keynote at the Logistics Finance Forum, you said the IMF's growth forecast for world trade demonstrated that the world economy is growing below potential. What did you mean by this?

Before the financial crisis, the world

economy was growing at just under four per cent per annum. We have since considered ourselves lucky to be growing at three per cent. What the latest IMF forecast, which came out in July, is suggesting is that GDP as a whole will be 3% in 2026 and maybe go up to 3.4% in 2027. If you read what the IMF said at the time, they are also referring to it as V-shaped. I am afraid, before we get too exited, it is worth reflecting that most of us forecasters, if we find that our current year's growth falls below predictions, then we are tempted to raise the year after figure and average the two years' growth at where they would have been before the downgrade. I admit that I probably exaggerate and overgeneralise a bit. But in the end, we all know, that now at any rate, it all depends on what happens in the Strait of Hormuz, and on energy costs, but which no one can know with any certainty. But at least the IMF in its latest forecast believed that a world recession scenario had become less likely.

The UK economy has endured a long list of crises since 2008, from the credit crunch and Brexit, to the Ukraine and now the Iran war. Why did you say that the wars of the sort that we have now are the hardest crises to recover from?

The IMF's view was that it takes a few years to get out of most economic crises but one gets there faster than if the crisis is the result of conflicts. A main reason seems to be that the structural and physical damage that is inflicted can be permanent, and the economic support may not by itself be that effective. Military conflicts, especially prolonged ones, like the one we are seeing in the Ukraine now, also create extra fiscal strain because of the need for additional miliary spending. Plus, the supply shocks, including from loss of human capital, can be longer lasting. The reconstruction costs can be immense. It makes sense in those circumstances that standard fiscal and monetary tools are not equipped to work on fixing those crises in the way that is traditional when other more economic or fiscal crises hit.

My own take, looking at past crises, say currency or debt shocks, is that those events are usually met with coordinated responses from the global institutions involved, such as the IMF and the World Bank, and central banks to reimpose some sort of order, even though even then that means that it could take a few years usually to return to full 'normality'. But the worry now is that the latest crisis has created winners and losers, shifted comparative advantage and has led to less incentive for the coordination of policy. And we are suffering the consequences of that right now.

In 2019 you published *Women vs Capitalism*, billed as an urgent call to reform capitalism so that it "stops failing women". Why do you think that

Vicky Pryce

Vicky Pryce attending an Executive Member lunch in March 2026.

the odds are stacked against women in a capitalist society?

It's such a big question. There's history, of course, as to what kept women back through the ages, one being the lack of education. One can clearly see the difference the improvement in education has made to employability and women's living standards across the world, reducing poverty and leading to improvements in overall welfare and growth, and the terrible toll on countries of reversals such as the current girls' and women's suppression in Afghanistan.

But even in Western Europe, where employability has increased sharply, women are still 'ghettoised' in low pay, often part-time occupations, and still represent a small portion of senior jobs. That lack of diversity harms the economy as much of a potentially productive labour force is not utilised in the right way. Although the situation on boards has improved, there were still only nine FTSE-100 female CEOs in 2025, and 12 in the FTSE-250, while the percentage of females in senior executive positions at CEO or C-Suite level is estimated at just some 16-20%. This is recognised by economists as a 'market failure', which requires possibly some intervention to be corrected. But while quotas and targets exist for board levels, this has been less the case for senior director positions and what we are seeing is that the enthusiasm for Diversity, Equality and Inclusion in the private sector is waning.

A Nobel prize for economics was awarded to the American academic Claudia Goldin for her analysis of the way women balance career and family where she expanded on what is now known as 'The Motherhood Penalty', ie the loss of income through one's lifetime from having children. The cost of childcare remains enormous despite means-tested support now being given in the form of free hours in many countries, including the UK. The result is that though women now go to university in equal numbers as the men and achieve on balance higher results, they still, even in the most equal Nordic countries, tend to opt for occupations such as the public sector that allow greater flexibility and possibly a less competitive and strenuous environment, perceived also to be subjected to less gender bias than other areas of the economy.

Much of the progress that has been observed internationally, and also in the UK, has been through government regulation and encouragement, rather than by enlightened companies in the private sector, with some notable exceptions of course. Indeed, when writing the book, I reflected on my experience working in Eastern Europe after the Berlin wall came down. At the beginning, I encountered lots of women in senior positions. And then capitalism came in and there were visibly fewer for a while after that…

Looking ahead, how optimistic are you for the medium-term prospects of the UK economy and the logistics sector's role within that?

A significant change we have seen that also affects the logistics sector, apart from the rapid advance and use of technology, is a move away from the earlier intense globalisation and into 'slowbalisation' or even 'deglobalisation'. And there is no doubt that the period since COVID saw increased 'onshoring' and 'reshoring' as a reaction to the supply chain issues that arose. But on the positive side it encourages me to be more optimistic that perhaps we can, leaving prejudices behind, realise the vital importance of trading with our neighbours in Europe. Andy Burhham has made more positive noises on this front as well, as on the need to improve the UK's reginal infrastructure. But tackling general business costs, including business rates, must remain a priority as has recently been emphasised by the Director General of the British Chambers of Commerce. Let's see what the Budget and a new spending review might bring and where diesel and petrol and other fuel prices go, and what will happen to the long-threatened Fuel Duty increase.

In terms of growth then, we go back to the animal spirits. Are businesses going to believe the vibes coming out now and invest and hire? That's the hope. Would I say whether I'm optimistic now? I would say I'm probably more optimistic now than I was back in July despite the continued geopolitical uncertainty.

Because of the change in government?

Yes. ■

FEATURE

Should the logistics sector embrace industry collaboration?

Tuesday 23 June 2026 • Gaucho Tower Bridge • London

COLLABORATION is a topic that is increasingly discussed in the logistics sector but how often is it actually practised? In these times of rising fuel prices and ever-narrowing margins, could it be an idea whose time has finally come?

Executive Members from across the supply chain were invited to the Gaucho Tower Bridge to take a 'peek behind the curtain' on a project which more than a decade on is still recognised as an outstanding collaboration success story.

Chairing the discussion was Jerry Kane, Commercial Director, Logistics UK. Revealing the project under discussion to members, he said: "COVID-19 is often cited as an example of where logistics companies successfully managed to collaborate both with each other and also with public sector bodies such as the NHS.

"However, there was an event eight years prior to the pandemic which helped showcase how a collaborative, multidisciplinary approach across logistics, engineering, design, broadcasting and sport could bring about a national success story. One which is still recognised, the world over, as one of the first times a delivery partner model, a truly collaborative delivery approach, was used in a meaningful way. I am, of course talking about the London 2012 Olympics and the Paralympic Games."

Kane then invited Ben Fletcher, Chief Executive, Logistics UK, who played a key leadership role in both the security operation for the Games and the post-Games legacy and regeneration programme in East London, to share some of his experiences of delivering the Games.

BEN FLETCHER, CHIEF EXECUTIVE, LOGISTICS UK

Fletcher, who was a senior civil servant working in the Home Office during the time of the Games, began by reflecting on when the Olympic rings went up in the middle of Tower Bridge, a few weeks before the Games started.

"The picture of the rings hanging off the bridge, just took everyone in London by storm," he said, and become the iconic image which came to epitomise the London Olympics in 2012.

Beginning his story close to the end, Fletcher recalled being on a flight to Rio de Janeiro in October 2012, when the London Games were over and beginning to be yesterday's story. Viewing a two-hour montage of the Games produced by the sponsor British Airways, he said: "For the first time, I just sat and watched it and it just hit me what an amazing thing it was. The emotion of it was quite tangible."

Ben Fletcher

The London Olympics' potential for different bodies to collaborate was legion: "It was a unique experience because it brought so many people together, so many organisations together. There was a desire to make a success of it and there was a recognition that we were all on show, and everyone wanted to live up to that challenge."

The starting point of London hosting the Games was a less happy time, however. The capital won the right to host the Games on 6 July 2005. The following day, a monumental terrorist attack happened on the streets of London, which came to be known as 7/7.

205 nations competed in the Games, including the USA and Israel which had a substantial terrorist threat related to

them. If the terrorist attack had come a couple of days before the decision over who was going to host the Games was announced, the outcome could have been very different. This was the first Games that was delivered in the face of a severe terrorist threat, and no Games before and no Games since have had to operate in quite that environment.

"Hopefully, the story that we'll hear tonight is how we brought together many, many people, many organisations, and many different cultures to collaborate. Because everyone realised the scale of the challenge. Everyone realised the reality of the threat. This was not a theoretical threat, it was a real threat. And if there was one thing I would say that focused the mind, almost unlike any other project I've ever been involved in, it was going to start at 8pm on the 27th of July, 2012, whether you were ready or not. And if you want a way of galvanizing effort, that was a particularly effective one."

SIMON GILBERT, FORMER PARTNER, KPMG

Kane invited the first guest speaker Simon Gilbert, a former partner at KPMG, to share his insights and anecdotes of planning and delivering the project.

KPMG played a multifaceted role in the London 2012 Olympics, including budgeting, auditing, security, and advising on legacy and strategy. Gilbert's involvement in the Games started in 2008. He had recently come off a long-running project for the Ministry of Defence, when a call came in from the Home Office asking for a Partner to fix some small issues in the security planning project, and Gilbert put up his hand. His first task was to tour the various delivery partners associated with the Home Office, including the Metropolitan Police and the other blue- and orange-light services.

Gilbert soon discovered that he had stepped into a febrile and difficult environment, with some parties engaged in what he described as "open warfare". The government had stated that it was going to spend £600 million of extra money on providing and delivering a safe and secure game, and not a penny more. However, once Gilbert had talked to all the delivery partners, he had arrived at the figure of £2 billion in aggregate planned expenditure.

Sharing his observations on what he did in and around the Olympic security planning, his first takeaway was the importance of trust.

“Trust is the real infrastructure if you want to have an effective collaboration,” he claimed.

Expanding on his theme, he said while many people in consulting fuss over the small details in the contract that exists between them and their client, the contract he had with the Home Office was the simplest imaginable, which was a great help in forging a constructive private-public partnership.

“What I felt was that one of my key roles was to be a bridge between all the delivery partners,” he said, “and that's something I've tried to hardwire in the team that supported me.”

His second observation was that shared jeopardy beats shared incentives. While positive incentives can always align interests on paper, particularly if they’re financial, Gilbert maintained that shared jeopardy aligns people more effectively – the feeling that they either all failed together or that they all succeeded together.

Gilbert’s third takeaway was that a

“Trust is the real infrastructure if you want to have an effective collaboration.”

clarity of purpose trumps clarity of process. While consulting firms are keen on frameworks, he tried not to introduce too many during the Olympics, because in his view they do not necessarily drive collaboration.

“What drives it, in my opinion, is the ruthless, persistent question of ‘What are we here to do?’” he claimed.

As far as the Olympics were concerned, that was simple. They knew to the second when the Games would start and what they had to do to prepare and to keep people safe. This was brought home by a police colleague who was there in an advisory capacity.

“I remember a salutary lesson that he gave me and delighted in telling me. He said, ‘This stuff is really simple. The question is: do you know what you're trying to achieve? Do you know what resources you need to achieve this? Have you got a way for checking whether you’re on or off the plan or not?’”

Gilbert remembered this advice and keeping things simple has since become his guiding principle.

Ego could be the enemy of collaboration, he said. Senior people from different organisations arrive with status, credentials, and opinions on different sides of the problem. A government director and a consulting partner can both think they are in charge, but given that they are from different worlds, seniority cannot be resolved through organisation charts alone.

For Gilbert, however, this was never an issue: "It was always clear to me who was in charge and what my role was, which was to support [the government director] and support the team that were working for him, for them to be as successful as they could be."

This did not always mean things were perfect or that they always had the same thoughts or saw the problem or its solution in the same way. But from the very beginning they found a way to agree disagreeably and work their way through issues to come up with a shared answer.

"The best collaborators are the ones who genuinely don't care who gets the credit. Your job as a leader in that type of environment is to make it safe for people to leave their ego outside of the room and do what needs to be done," he said.

Pressure reveals character, Gilbert maintained, and the immovable deadline of the Olympics helped strip away politics with remarkable alacrity.

"You very quickly understand who's going to turn up, who's behaving in the right way, who's there to help solve problems and who has the ability to understand and manage perceptions," he said.

The final observation that Gilbert shared is that the seam is where collaboration always falls apart:

"In any collaboration, particularly one that's complex, failure rarely happens in the middle of one or other of the organisations. It nearly always happens at the seam, the interface between teams and organisations, between cultures, between decision-making styles. And you have to find a way to deal with that."

IAN QUINTON, FORMER DEPUTY ASSISTANT COMMISSIONER, THE METROPOLITAN POLICE

The third speaker to share his experiences of working on the Olympics project was Ian Quinton. Then a Deputy Assistant Commissioner with the Metropolitan Police, Quinton had the job of orchestrating the London security operation for the Games, then the largest peacetime security undertaking in the UK with a price tag of more than half a billion pounds.

Joining the project at the point when the Met and the Home Office were resetting their relationship, he said the key challenge was overcoming institutional silos, which are often the default starts of many organisations. For Quinton the antidote to that was trust, while the challenge was how to build it.

"For me, there are three parts that were the components to build that trust, and those are vision, compromise and sacrifice," he said.

Ideally, the vision aspect is holistic, taking in the big picture. The London Olympics was a big sporting extravaganza with a security overlay, but a securocrat like Quinton saw it differently: as a massive security operation with some sport thrown in.

Vision also needs to be compelling so that it is something that partners can easily unite behind. While half of their overarching aim was to deliver a safe and secure Games, the other half was embracing the Olympics culture and spirit, which helped shape the way they thought.

The final part on vision was that it needs to be logical: "You have to have a delivery framework that's transparent, that's auditable, and can withstand scrutiny."

On compromise, Quinton said that the starting point for him was an acknowledgement that if one fails, they all fail.

"You can't have an OK Games with just a couple of deaths. It's either a success or it's not. It's tea and medals

for everybody, or the Tower for everybody," he said.

Compromising is also about trying to adopt a 360-degree perspective, he argued. "I know what this means for me. What does it mean for partners? Not just the emergency services but for private sector partners?"

Other areas where compromise proved crucial was across integrated chains of command and multi-agency control rooms. The Olympics project had a national Olympic Coordination Centre where 14 different agencies sat.

"What it was able to do was to bring all of the information together and produce single briefings," Quinton said. "Now, it sounds very Stalinist, but a single version of the truth is crucial for everybody understanding what is going on, and for people to be united behind it."

The third part of building trust is

"There are three parts that are the components to build trust, and those are vision, compromise and sacrifice."

sacrifice. In this context, it means ceding control in the first instance. Normally, senior people like to shape their own destiny and be in control, so sacrificing control can be challenging. Plus, sacrifice around funding, which means putting money into a communal pot that you may not see back, or not bidding for funding that you might really want, because the greater good lies elsewhere.

Another area Quinton identified around sacrifice is not holding onto information too tightly. As organisations, client confidentiality is often cited as a reason not to share information. However, during the Olympics, he was impressed with MI5's willingness to go into detail about intelligence issues and share briefings in a way he had not experienced before.

"For me, that vision, that compromise, that sacrifice came together in the framework that then defined our approach to the Games," he said.

There were two overarching documents that set out that framework. The first was the Olympic Safety and Security Strategic Risk Assessment (OSSSRA), which explored all potential threats to the Games. They used a single methodology to assess these risks on their likelihood to happen and whether they would have an impact. For example, in 2012, the intelligence services suggested that they worry about drones, but at the time they decided they didn't need to because they couldn't see a likelihood.

The project saw intelligence experts, military, virologists, meteorologists, all sat around the same table, looking at risks, and contributing to a discussion about how to assess them. They drew up a list of around 30 risks in total and displayed them on a five-by-five matrix, which enabled them to be scored and the most serious risks to be identified.

"They ranged from 9/11 and 7/7 style attacks to crowd crush to mass e-coli outbreaks and even, believe it or not, a heatwave. But they were all things that could disrupt the Games. And if the Games failed, we all failed," Quinton said.

This led to some interesting trade-offs, some of which were initially unpalatable. However, focusing on the risk gave them something they could measure and, if necessary, to justify to third parties why some risks were more important than others.

The strategy was the other key document, which was underpinned by five straightforward objectives. They were about protecting venue, transport networks, and people prepared for disruptive events; identifying and disrupting the threats; making sure the right command, controls, plans and resources were in place, and engaging with local, national, and international partners.

“For me, there were three key sections in that strategy,” Quinton said, “The first set out our planning principles and assumptions. It was very clear, we will be risk-led, there’ll be no pet projects. If it doesn’t impact the risk, then we’re really not going to do it.”

Terrorism was a very real threat. A controversial decision was made to use tried and trusted, rather than cutting edge, technology to combat this threat. The rationale was that in stressful situations people generally default to what they know, whereas far fewer people were familiar with the very newest technology.

“That for us was quite a debate, but I think we made the right call in the end,” Quinton said.

The second key section was governance. There was a multi-agency steering board, called the Olympic Security Board, at which all the key players were represented. While people’s feet were regularly held to the fire at this, the line of reporting was straight into the Home Secretary, and ultimately up to government, which meant that if there were issues, they would be dealt with.

The last important section was assurance. While it is admirable to have a plan, there are two tests of the necessary resources in place to deliver that planning. The first is: do the plans work and do they make sense? The second is: are they fully integrated?

“My bit of the plan might be brilliant, Simon’s bit of the plan might be brilliant, but when we bring them together, how do you know they are both going to work? Or are they going to work against each other?”

To deliver this strategy, the team had a whole series of set piece events and presentations, often involving road trips beginning at 4am to all regions of the country to convince key stakeholders.

“That was crucial to gaining the support of the key constituents,” Quinton said, “For me, the really important thing was once every agency had signed off, I had something to hold their feet to the fire on.”

On lessons learnt, Quinton revealed that his main one was realising the importance of relationship building. Recalling a meeting following the 7/7 terrorist attacks in London, the police gold commander said to those assembled: ‘I know you’ve just seen the most awful attacks, the images of the bus. But I can tell you now, as a team, we’re going to do this. And why?

"Confidence building is based on substance, but it can also be based on perception. If you don't get perception right, you can have some problems."

Because I know each and every one of you, we have exercised together, we've worked on things together, we've drunk together. We know and trust one another.' That demonstrated the importance of strong relationships in extremis, Quinton maintained.

Another lesson he had learnt as part of senior control is that if you are going to give ground, do it early and do it with good grace.

"Confidence building is based on substance, but it can also be based on perception," he said. "If you don't get perception right, you can have some problems."

For example, in 2012 there were anti-aircraft missiles positioned close to the Olympic stadium. While Quinton said there was a limited case for them to be there on a risk basis, they were important for the perception of the security risk, as the Greeks, Australians and Chinese had all had them when they hosted the Games.

"The last thing we wanted was to correct the impression that we weren't taking the threat from the air seriously. So we did it. Sometimes, despite being risk-led, you have to think about perception as well as substance."

Undertaking exercises was also important, he said, to put your people through their processes. He recommended starting small then building up. Surprisingly, for an ex-cop, he also stressed the importance of polling. Believing that seeing lots of armed police would concern the public, he was reassured by polling that said at key locations such as railway stations and airports, people are reassured by their presence.

Urging attendees not to let the enormity of anything put you off, he said if you take it one step at a time you can get there. His final thought was it's just as important to be emotionally engaging as it is to be factually correct:

"When you're seeking to persuade people, and when you're trying to build trust, I discovered quite early on that intellectual rigour is not enough. You need to engage with people emotionally as well. They need to feel part of it, to feel that jeopardy. Hard figures don't always do that."

Find out more

Tuesday 21 July 2026 • Gaucho Tower Bridge • London

WHILE Logistics UK's first dinner discussion on industry collaboration was primarily to listen to examples of collaborative best practice, the second took the form of an interactive dinner discussion, with a workshop approach.

"We'll be looking for your input and feedback on some of the initiatives, enablers and blockers that come up," chair Jerry Kane, Commercial Director, Logistics UK, told attendees.

While collaboration between businesses can take many forms, he said he would focus the discussion on three key aspects: data sharing, back loads and sharing refuelling and warehousing infrastructure.

SURVEY FINDINGS

Kane began by sharing some of the key findings of a recent Executive Member survey on collaboration. While acknowledging that it was a relatively small sample, he said the results were remarkably consistent and quite extraordinary.

On being asked whether they would collaborate with logistics operators to pick up a return load, two out of three respondents said they would sometimes or often, while one in three said they would seldom or never do this.


Jerry Kane

On sharing infrastructure, 85% of respondents said they would consider warehousing space and fulfilment facilities, while slightly fewer (79%) said they would consider sharing refuelling infrastructure or a grid connection with others.

When it came to the subject of data sharing, while only one in three respondents do so now, more than 93% would consider sharing their emissions data with a trusted third party, such as a university or a trade body.

"Those numbers are pretty weighty in terms of the appetite to collaborate," Kane said.

SMART DATA

Expanding on the concept of data sharing, Kane invited his colleague Ben Garratt, Interim Director of Policy and Communications at Logistics UK, to explain the rise of smart data and provide some political context around the government's drive to mandate data sharing in certain circumstances.

Logistics, Garratt argued, is a major implementer of innovation, particularly when it drives efficiencies, or improvements in safety or decarbonisation. While government is also a big proponent of innovation and businesses adopting the latest technology, it tends to focus its support either on SMEs or whole logistics system matters.

Since the publication of the 2022 *Future of Freight Plan*, which Garratt explained remains the UK's first only multimodal freight plan, the thinking has been to see logistics as a system, and to resolve any system-wide inefficiencies.

"Since that report came out, there's been a lot of discussion in that space still driven by the decarbonisation agenda," he said.

Conversations that Logistics UK has held with its members and NESO on where charging infrastructure for logistics needs to go have so far proved largely circular in nature.

"We can map energy needs broadly, but we can't map exactly when and where it's needed, and will be needed. That's proving to be an issue, given we want the government to invest billions into the grid for the sector ," Garratt said.

The issue of backloads and optimising the efficient use of vehicles is also a conversation that is being had regularly with DfT.

The smart data team at the Department for Business and Trade (which is now DBIST, the Department of Business, Innovation, Science and Trade) is once again led again by Business Secretary Jonathan Reynolds MP, who occupied this role at the beginning of the Starmer government. This team started doing a lot of work on what smart data schemes could be developed for different sectors earlier this year, and one of the sectors that it is interested in is freight and logistics.

To illustrate the concept of smart data, Garratt cited the example of open banking, where the big banks are legally obligated to share data with a third party to give customers more control over their financial data and to increase competition and innovation in financial services. Another example is the Fuel Finder app, where members of the public can enter their postcode to see which fuelling stations are selling the cheapest petrol or diesel in their area.

Both of these examples are the result of government decision making, following a system-level market failure, and where data sharing by the relevant businesses now delivers benefits to consumers. The Department for Business and Trade put out a call for evidence on multi-sector smart data which closes on 1 October, to which Logistics UK will be responding.

While the government has not talked about mandating data sharing, open banking and Fuel Finder are mandated. The areas that the government is talking about with regards to freight and logistics include the opportunity to standardise and streamline carbon reporting, and the opportunity to capture and share data on empty running and underused domestic capacity, not just on road but across the modes. Plus, the opportunity to coordinate urban and last-mile logistics, which is often driven by local authorities that wish to have fewer and fuller vehicles on their congested road networks.

> **“We can map energy needs broadly, but we can’t map exactly when and where it’s needed.”**

Proactive management of rail infrastructure is also of interest, to provide visibility over the wider rail network, Garratt explained. The government is also looking at the opportunity to track the reliability and availability of the EV charging network. On the topic of trading across borders, where the government sees room for improvement, Logistics UK is interested in there being a single trade window, which will allow businesses to share information once, rather than multiple times. Meanwhile, the government is also looking at the retail sector, and the opportunity to combine retail data and transport location data.

However, this was not to say that government was willing to take on the role of collecting and managing data, Garratt said. “It is about crafting third parties that would collect that data, manage that data, be able to provide advice on the basis of that data and they’re also interested, therefore, in how that could be fairly governed.”

On the smart data call to evidence, he

said: "We'll be responding to it, we'll be thinking about the benefits of data sharing in all of those spaces, but we're also mindful of the challenges they present, including issues around commercial sensitivity, and how to overcome them, if they can be overcome."

There is also the question of whether any of this could potentially expose businesses to added cyber security risks or other governance liabilities.

This dinner discussion would form the first part of more extended member engagement on industry collaboration, with a briefing note and webinars to follow, as well as a breakfast briefing ahead of Logistics UK's Digital Transformation in Logistics conference in the autumn.

Garratt said: "The conversation that we're having is interesting, but it isn't just interesting to us. It might not just be left to the sector to decide for itself what it would like to do. There may be designs on the sector from the government, on what it would like from us."

Before concluding, he shared some salient points from conversations that Logistics UK is having with government. The new Department for Business, Innovation, Science and Trade may be better for Logistics UK, because it means it can talk to ministers about technology issues that affect a traditional sector, as well as the more cutting-edge sectors like AI.

The new Prime Minister had talked about three big themes: devolution of political and economic power across the country; reindustrialisation and greater public control.

"They're not massively dissimilar themes to the last government, but he's turned up the dial on devolution in particular," Garratt said.

On greater public control, this may be about taking control of Thames Water and other utilities companies, and therefore of interest to logistics businesses who work with these utilities, or wish to. "There isn't an immediate risk of logistics being brought in under public control," he said, "It's more about utilities closer to people's day-to-day lives."

As with the Keir Starmer administration, there are many government policies that Logistics UK will be supportive of, and some that it will be concerned about. Infrastructure to support the efficiency of many parts of the economy, including logistics, was a focus of the last government. Similarly, Logistics UK was supportive of the last government's *Industrial Strategy*, as the more the UK can industrialise, the more opportunity there is for logistics to support that industrialisation. There was some progress on that score under Jonathan Reynolds early in the Starmer administration and the hope is that his return means that that may continue.

Devolution can be a double-edged sword, Garratt observed. The opportunity to do more industrial strategy and cohesive planning across the country rather than get sidetracked by local authority matters is positive, but for business that operate nationwide the risk of patchwork regulation across different regions is less so.

On the cost of doing business and employing people, Garratt said: “The instinct that the one way to deal with the cost of living is to take taxation off people and put it on businesses, particularly around warehousing, remains a challenge. The Employment Rights Act, and the increased cost that will deliver for employing people is also a challenge.”

On the positive side, Burnham currently had the backing of his parliamentary party, so there was more potential to make progress on some long-term issues than there was under Starmer, when policy was often derailed by political considerations.

The new chancellor John Healey was considered a very safe pair of hands, with a good understanding of industry from his trade union days. Logistics UK was also positive about Jonathan Reynolds returning as Business Secretary and the opportunity to put more behind the *Modern Industrial Strategy*, which mentioned logistics

as essential to many of the economy’s high-growth sectors. Heidi Alexander remains Transport Secretary but, as she hasn’t focused on logistics already, more important to Logistics UK are the middle-ranking ministers who will deal with matters pertaining to logistics, which Logistics UK wants them to do in a joined-up cross-Whitehall way.

“We’ll find out more in the autumn,” he concluded.

Chair Jerry Kane concluded the discussion by thanking members for sharing their ideas and insights into industry collaboration, giving Logistics UK plenty to take away and digest. ■

Find out more

Logistics Finance Forum 2026

Logistics leaders share financial, energy and trading insights at interactive forum

ECONOMIC trends, investment insights and the UK's productivity puzzle were among the topics discussed at Logistics UK's fourth Logistics Finance Forum, held at the Hallam Conference Centre in the heart of London's West End on 9 July 2026. More than 50 senior professionals from across the supply chain, economics and finance sectors attended the interactive one-day event.

Chair Sarah Watkins, Deputy Director – Policy Information, Logistics UK, summarised the day's programme in her introduction: "We've got a very exciting and highly topical programme for you all that explores some of the financial and business challenges and opportunities that face the logistics sector at what continues to be a very interesting time, I think it's fair to say, both politically and economically."

KEYNOTE: ECONOMIC LANDSCAPE 2026

The keynote speech was delivered by Vicky Pryce, Chief Economic Adviser to the Centre for Economic and Business Research (CEBR), who regularly advises government, industry and business leaders on economic policy and gave delegates an overview of the wider economic environment.

As the economy is changing all the time, forecasting is difficult, Pryce acknowledged, and she noted it was particularly challenging at the present time.

Citing a recent forecast published by the International Monetary Fund (IMF), she said that the UK is doing slightly better this year than anticipated with 1% growth. However, with the Iran ceasefire not holding, oil prices were extremely volatile. The IMF report for

April 2026 showed that the world had slowed down a little bit, with growth reduced by 3% for 2026 but upgraded for 2027. The fund is expecting a V-shaped recovery, like the world experienced during COVID, to take place, and forecast growth of 3-4%.

"You can believe whatever you like," she said, "The truth is that what happens in the oil markets, with interest rates and inflation are going to be absolutely essential in determining what growth is, in determining business confidence, in determining trade."

On the world trade front, Pryce noted that it was interesting the IMF had reduced its forecasts for 2026 and 2025. Given the trade tariffs imposed by the US, this seems surprising, but underlying 2025's growth forecast, particularly for the first half of the year, was the fact that businesses were shipping into the US as quickly as possible in anticipation of the tariffs. The UK simply produced and exported more during this time.

In general, the projections demonstrated that the world economy is growing, but growing below potential, which Pryce said is bad news for everyone, but particularly for trade: "We are growing below capacity in the world, and that affects the whole world, because we are in a different type of crisis right now."

Listing all the crises that the UK has experienced since 2008, from the

credit crisis to the Eurozone crisis, to Brexit, COVID, the Liz Truss mini-budget, the Ukraine war and now the Iran war, Pryce said: "What you find is that you can recover from these things over a period of time. The ones that you recover least well from are conflicts – wars of the sort we've got now."

Concluding, she said that the UK faces a difficult period with many unknowns and that businesses should expect continued volatility and uncertainty, especially around trade, financing conditions and costs.

LOGISTICS UK POLICY UPDATE: LOGISTICS INVESTMENT INSIGHT REPORT 2026

Following the keynote, James Hardiman, Policy Research Manager, Logistics UK, and Rob Brand, Sector Head – Business Services, HSBC UK,

"The truth is that what happens in the oil markets, with interest rates and inflation are going to be absolutely essential in determining what growth is."

shared the findings of the inaugural *Logistics Investment Insight Report*, published on the day of the event.

The report was written by Logistics UK in conjunction with HSBC UK, using research commissioned from Analytiqa. It was based on a survey of more than 100 logistics businesses, ranging from family-owned SMEs to large corporates. The overall picture was cautiously positive with more than eight out of 10 respondents maintaining or increasing their investment plans for 2026 and 2027, despite the ongoing economic uncertainty. Technology is the clearest investment priority, particularly cyber security, software upgrades and AI, which sustainability investment is focused mainly on fuel optimisation and cost control.

Brand and Hardiman also highlighted how businesses are funding and assessing investment decisions. Companies value strong relationships with finance providers and reported that finance remains accessible, with margin improvement and revenue growth the main measures of investment success.

M&A INDEX OVERVIEW

Following coffee, delegates reconvened to take a deeper dive into the world of mergers and acquisitions (M&A). During a fireside chat, Philip Bird, Corporate Finance Partner and Head of Logistics at RPGCC took attendees through the latest M&A trends, while Andy Fitt, formerly Managing Director of Yusen Logistics, shared some of his experiences of making acquisitions and integrating businesses post-acquisition.

Bird took delegates through the key findings of the latest *M&A Insight Report*, produced by Logistics UK in conjunction with RPGCC. Now in its sixth year and based on a survey of more than 100 senior executives in UK logistics companies, this measured respondents' expected appetite for M&A over the next year and the likely pressure on valuations. The index has fallen by 8% over the past 12 months, continuing a period of low-to-moderate growth following the post-COVID peak. This reflects subdued confidence and optimism across the sector.

The main drivers of M&A activity were described as defensive, with businesses pursuing acquisitions

to gain economies of scale, protect margins and respond to continuing cost pressures in a traditionally low-margin industry. Areas attracting particular interest include logistics supporting data centres, defence logistics, healthcare logistics and e-commerce. One interesting finding is that recent activity has focused largely on smaller deals, particularly in the £0-10 million range, suggesting that the scale and type of targets may be starting to change. While deal volumes remain broadly steady, transactions are taking longer and given the trading risk and uncertainty over valuations, due diligence is becoming more rigorous.

INDUSTRY PANEL: UNLEASHING THE PRODUCTIVITY OF THE SECTOR

The first panel of the conference focused on the seemingly intractable issue of sluggish UK productivity. Chair Sarah Watkins was joined by panellists Paul Brown, Finance Director, Rudolph & Hellmann; Pippa Horton, VP Finance – Network Transport Solutions, DHL Supply Chain; and Carol Mulhall, Finance Director, Pass Logistics.

Panellists explored how the logistics sector can unlock productivity against a backdrop of weak growth, tight margins, rising costs and continuing economic uncertainty. Speakers argued that productivity gains will

come from reducing friction across businesses and supply chains, improving collaboration between SMEs, larger operators, customers, government and finance partners, and making better use of planning, visibility and operational data. Transport planning, end-to-end visibility, standardisation, process improvement and customer expectations management were suggested as areas where relatively small changes can lead to meaningful gains.

Decarbonisation, automation and skills were recurring themes, but the panel stressed that investment must be affordable, evidence-led and supported by the right infrastructure and data.

Electrification, autonomous vehicles and AI were seen as opportunities, but only where they aligned to clear use cases. The closing advice for finance leaders was to get closer to operations, understand the real drivers of performance, set clear targets, continue to pursue small improvements, and take AI seriously by first improving the quality of logistics data.

SUSTAINABILITY REPORTING: HOW AND WHY IS IT EVOLVING?

The next session, delivered by Stephanie Haszczyn, Senior Policy Manager, Logistics UK, looked at the changing requirements for sustainability reporting and why they are evolving.

Beginning by defining climate change as long-term shifts in temperature and weather patterns, she said that it was the driver for a growing demand for data, particularly given that surface transport makes up around 30% of all UK emissions. However, reductions in transport emissions are expected to accelerate and the ZEV Mandate requires nearly all new car and van sales by 2030 to be electric.

Haszczyn highlighted that reliable, comparable and accessible emissions data is essential for government, regulators, investors, insurers and businesses to understand climate risk, track progress, identify barriers to decarbonisation and shape effective policy support.

When it comes to collecting and reporting data, she outlined the differences between scopes 1, 2 and 3. Scope 3 covers indirect emissions from a company's value chain and in a recent consultation paper, the Financial Conduct Authority said that there was a proposal to include Scope 3 emissions reporting on a 'comply or explain' basis, rather than a mandatory blanket requirement.

For logistics businesses, the main implication is that pressure to collect and share emissions data is likely to increase, particularly as larger companies seek information on Scope 3 emissions from their suppliers.

FIRESIDE CHAT: FINANCING ENERGY NEEDS OF THE SECTOR

Following a networking lunch, the second fireside chat of the day saw Stephanie Haszczyn interview James Spencer, Managing Director, Portland Fuels on how to finance the energy needs of the sector.

She started by asking Spencer about the fuel hedging partnership between Logistics UK and Portland Fuels, launched on the day of the event.

He explained that the hedging tool was a paper-based protection where you carry on buying fuel from your chosen supplier but have the underlying protection of the hedging: "It's great for us to partner with Logistics UK, we've worked with Logistics UK for a long time. So we're very excited about that."

On how the logistics industry should best address volatility in the oil supply chain, Spencer said that in the 32 years that he had spent in the oil industry, there had been crisis after crisis. The latest crisis is Iran's closure of the Straits of Hormuz, through which approximately 20% of the world's oil is shipped.

"[The Iranians are] basically going to squeeze it now forever," he said, "They're not going to let go. We're going to have a world where we have tariffs, and this is now seen as some kind of triumph that ships are flowing

through by paying royalties to Iran. We didn't have that three months ago. The whole thing is clearly nuts. But what has that done? It's driven the prices up massively."

As someone who has always traded refined products, Spencer said he was frustrated by people fixating on the price of crude oil reaching $120 a barrel, when the price of jet fuel had shot up to $235 a barrel and diesel had risen to $195 a barrel.

"People focus on crude because it's the headline maker, it's what the media likes to talk about. But this was a way bigger crisis than $120 a barrel. Diesel literally went up two and a half times and jet fuel almost tripled," he said.

Given this ongoing volatility, Spencer recommended that operators lock in their fuel costs to give themselves budgetary certainty: "What fuel hedging does is it locks that in. If we go to see a customer and the customer says, 'How much are you going to save me?', that's the end of the meeting, because we're not going to save you anything. We're just going to take a variable cost and make it fixed."

On greener liquid fuels, Spencer was dubious of investors' appetite for going green, because the products were more expensive and in general investors would see this as a blocker. Nor did he think that consumers had much appetite for going green, believing they would only do so if it costs them less.

"That's possibly a bit depressing," he acknowledged, "but I've been doing this a long time and that's my conclusion."

On the government's ambition for the UK to become net zero by 2050, Spencer was highly doubtful on whether it would ever be achieved.

"There's just no world where we can be net zero because it's totally reliant on carbon capture, which has a part to play, but there are simply sectors that are too difficult to decarbonise," he concluded.

GLOBAL TRADE: TARIFF WARS, MILITARY CONFLICTS, REGULATORY CHALLENGES

The final panel session of the day focussed on the hot topics of tariff wars, military conflicts and regulatory changes. Chaired by Sarah Watkins, the panel consisted of Nick Davies, Director, International Centre for Digital Trade and Innovation; Mike Garratt, Chair of MDS Transmodal; and Ian Worth, Customs Director, Menzies.

Garratt opened the panel with an overview of how global trade flows are shifting beneath what can appear to be steady long-term growth. He highlighted that while deep-sea container traffic has generally grown over the past two decades, this masks significant changes in the commodities being moved and the regions driving growth. Trade patterns have increasingly diversified away from China towards other Far East economies, particularly in flows to the US and Europe, while Sub-Saharan Africa has also emerged as an important growth market. The UK's trading relationship with the EU remains central, but export volumes to the EU have fallen compared with pre-Brexit levels, and examples such as passenger vehicles show how quickly market penetration and competitiveness can change between the Far East, EU, UK and wider non-EU Europe.

The panel closed with practical reflections on how businesses should prepare for a rapidly changing trade environment. Panellists urged organisations to understand their customs duty exposure, review how future supply chains may shift, and invest in stronger systems and data management as international trade becomes increasingly digital, real-time and less reliant on paper-based communication.

CHAIR'S CLOSE

In her closing remarks, Sarah Watkins thanked attendees for their contributions across a broad agenda, covering economic conditions, investment trends, M&A, keys to productivity, sustainability reporting, financing energy needs, as well as the wider issue of global trade and geopolitical risk. She also acknowledged the support of the event sponsors, HSBC UK and Menzies LLP, and the exhibitors Portland Fuels and TEG.

"Thank you very much for your participation today," she concluded. "If there is any way we can support you further, please do get in touch with me or my colleagues at Logistics UK." ■

<u>**Find out more**</u>

FEATURE

Defence and the role of logistics

Thursday 23 July 2026 • Old Queen Street Cafe • London

LOGISTICS leaders from across the supply chain gathered at the Old Queen Street Café in London's Westminster on 23 July, to focus on the role of logistics within the defence sector.

Jemma James, Director of Partnerships and Digital Services, Logistics UK, introduced the discussion, observing that the last few years have been unusually turbulent in terms of world news and geopolitics, with the Russian invasion of Ukraine in 2022, conflict in the Gaza Strip and most recently the US-Israeli bombing of Iran and the subsequent stop-start closure of the Strait of Hormuz.

"It is an increasingly uncertain world that we have to operate in today," she said, "Our supply chains in parts of the world are impacted by conflict, and we are all finding it increasingly difficult to trade and conduct business."

Logistics UK is taking an active role and is working with the Ministry of Defence (MoD), and in particular the Adaptive Capacity Alliance (ACA), an MoD-industry collaboration which is co-chaired by Phil Roe, the trade body's President.

"This alliance is actively showing how the private sector and the MoD collaborate with full transport access, infrastructure and warehousing in times of crisis," James said.

She then introduced the guest speaker Commodore Karen Rees, who for the past two years has been acting as Director of Defence Support Chains Operation and Movements at the MoD.

IF DETERRENCE FAILS

Commodore Rees began by explaining that while she had a peacetime role at the MoD, she also had a wartime role commanding the Strategic Base Outload Headquarters, which is charged with coordinating and controlling the movement of the fighting force.

“That’s the people, the equipment, and the material from this island to wherever it needs to go to deliver a war fighting effect,” she explained.

The question she said she was most keen to tackle during the discussion was: ‘If deterrence failed tomorrow, could we sustain the fight?’

“That question should make us all pause, and I purposely put it up front,” Commodore Rees said. “It's really easy to talk about readiness in terms of platforms, people, and plans. It's much harder to talk about whether those platforms can be repaired, people can be supplied, and whether the plans can survive contact with the enemy.”

Arguably of more importance was whether the national system can keep pace once pressure builds. This does not just include business pressure but could be the pressure of this country being at war.

In the military, junior logisticians are taught the four ‘D’s: demand, duration, distance and destination. While these remain useful, Commodore Rees argued that they were no longer enough on their own.

“Modern warfare asks us when we can generate, deploy, sustain, adapt and regenerate force at the speed and scale required, all whilst our enemy is actively trying to disrupt every link in the chain,” she said.

According to Commodore Rees, a force that cannot be moved is not a credible deterrent, a force that cannot be supplied is not a credible combat force, and a supply chain that cannot adapt under pressure is not a wartime supply chain. This is why the Defence Investment Plan (DIP), the government’s spending commitment for the armed forces, is so important. Backed by £298 billion allocated to defence spending over the next four years, the plan sets out how that sustained increase in spending will help build an integrated battle-ready force.

“At its core, the plan is all about ensuring we are more lethal, better protected, better connected, and better sustained with the equipment we need to fight now and in the future,” Commodore Rees said. “Threaded throughout is a clear requirement and a drive towards all parts of readiness and resilience at scale with the right mix of capabilities, and learning the right lessons from the Ukraine conflict."

SUPPLY CHAIN RESILIENCE

The DIP also underlined the criticality of greater supply chain resilience, the ability to scale industrial capacity, and the need to strengthen critical mineral stockpiles. Importantly, the plan also recognises that the ability to deploy, sustain and recover forces underpins war fighting readiness.

"Why does this matter so much now? I would say to everyone around this table that I haven't said anything that you didn't already know. We as logisticians have been talking about this for decades. What's changed now is the strategic context around us."

That context is that we are now living in a markedly more contested, volatile and complex environment than at any time since the Second World War, according to Commodore Rees. Global supply chains are fracturing, strategic competition is intensifying and old assumptions on relationships and access to resources no longer hold true.

"We see this in Ukraine, we see this in the Middle East, where highly optimised systems have been exposed to shock. We should all now assume an operating environment where access points are contested, routes are denied, civilian infrastructure is under attack, and digital networks are constantly threatened."

In this new environment, disruption in one location can cascade rapidly upon sectors and borders, constraining not just military freedom of action, but military resilience and political choice too. The defence supply chain stretches all the way from industrial production, through contracts, depots, ports, movement networks, to war fighting.

"Every link matters, every delay matters, and every dependence matters," she said. "The real uncomfortable truth is that our traditional model no longer works. Systems optimised for peacetime efficiency and value for money do not work in times of crisis. Just-in-time logistics might be efficient, but wartime preparedness requires depth, redundancy, visibility, and assured roots. So, we've optimised for peacetime efficiency, what we need now is wartime resilience. The question is: can we afford what we know we all need?"

FOUR NEW TESTS

While Commodore Rees began her talk by referencing the four 'D's, she said that four new tests for wartime logistics were now needed: capacity, throughput, governance and contest.

Starting with capacity, she questioned whether the UK currently has the assets, the infrastructure, the fuel, the munitions, the spares, the transport, workforce and output needed to support operations at scale. Having the capacity on paper is not sufficient, however.

"The decisive question is: how quickly we can convert national resources into taskable movements, sustain them under repair and distress. So firstly, do we have it? Secondly, can we do something with it and get it to where it needs to be?"

The third test for wartime logistics is governance, with Commodore Rees suggesting that in times of war, logistics is simply a competition for authority.

"Shipping, fuel, labour, storage, energy, and components will all be contested, not just by the military, but by civilians and commercial demand. Who is going to decide on the priority? How quickly are those decisions going to be made? And under whose authority?"

The final test is contest. Supply chains are used to operating in benign conditions which the logistics sector is very used to. However, it needs to get used to cyber-attacks, satellite navigation disruption, sabotage, industrial disruption and energy shocks. These should all now be part of the sector's realistic planning assumptions.

"These four tests move us from asking, 'What do we own?', to asking, 'What can we deliver? How quickly, for how long and under what conditions?' I would suggest they also remind us that industrial readiness is just as decisive as military readiness. The ability to serve, scale, and adapt industry quickly and at volume will determine whether the defence can endure in a conflict."

THE NEED FOR SPEED

Clarity from defence and clear priority demand signals are also required by industry, so that capacity, investment and production can align in advance.

"We've got to move more quickly. Complexity and bureaucracy frustrate us now, but in wartime they are simply operational risks, and we need to get rid of them," Commodore Rees argued.

Touching on lessons learnt from Ukraine, she said the war there had established that acquiring more weapons and platforms only mattered if they could be sustained, otherwise they were not a credible fighting force.

"Logistics determines whether the forces can keep fighting. It also shows that logistics cannot rescue a flawed strategy. We are really important, but we're not everything."

FLAWED ASSUMPTIONS

Russia's full-scale invasion of Ukraine showed how quickly poorly sustained assumptions can become strategic failure. Planning assumed a short campaign, limited resistance and accessible infrastructure. When those assumptions proved unfounded, Russia's campaign quickly unravelled.

"If we're serious about wartime preparedness, certain things need to change," Commodore Rees argued. "We must start thinking about logistics as a strategic capability and not an enabling afterthought."

This will require leadership, investment, authority and accountability and needs the sector to be resilient before it needs to be. Stockpiles, industrial surge, workforce augmentation, alternative routes and commercial activation mechanism cannot be invented in crisis. It is not just the military units that need to be tested, the whole system does, including the industrial and commercial base, logistics and digital systems.

"Assumptions that are not tested will not survive first contact with either reality or an enemy," she said. "We must deepen our partnership with the industry. Defence cannot deliver wartime resilience alone. Commercial logistics, specialist suppliers, portal fuel providers, infrastructure owners, and manufacturers, are now part of the force structure we will rely on."

THE NEED FOR PARTNERSHIP

This means the military must work with industry, not simply as customer and supplier, but as partners in designing solutions from the outset, co-creating requirements, integrating our systems, and aligning ways of working.

To help build this partnership, Defence formed the Adaptive Capacity Alliance (ACA). Adaptive Capacity describes how we mitigate shortfalls in defence capabilities by using industry capacity to deliver resilience and flexibility to the operational command in times of crisis.

"What I need to understand is, where do you have spare capacity? How do I access that spare capacity? And test how we do that. And if you replicate that across all the modes, nodes, and the network, that's what adaptive capacity is about." ■

Find out more

POLICY WIN

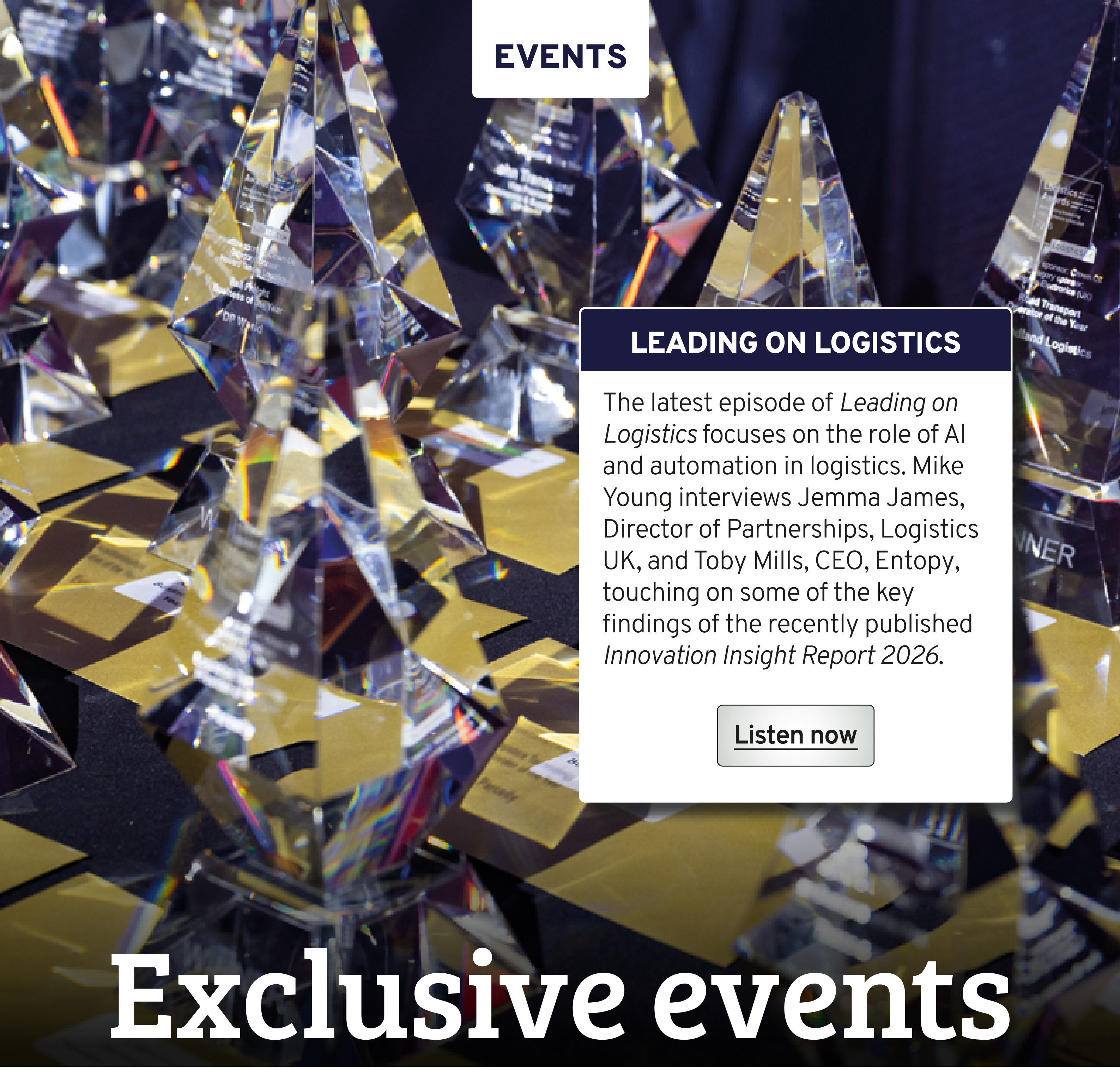
Electricity Infrastructure Transport Group

launched to support transport decarbonisation

The inaugural meeting of the Electricity Infrastructure Transport Group (EIT Group) on 8 July brought together representatives from government, the energy sector and transport industries to strengthen collaboration on the energy infrastructure needed to support transport decarbonisation. The group was established following advocacy from Logistics UK and others across the sector, recognising the need to align the logistics sector's decarbonisation trajectory across transport modes with the UK's strategic energy planning.

The first meeting was addressed by ministers Keir Mather (DfT), Chris McDonald (DBT – now DBIST) and Katie White (DESNZ), all of whom remain in their departments following the recent reshuffle, with Keir Mather continuing to be responsible for freight. They were joined by representatives from Logistics UK and the wider transport and energy sectors. Key topics included modelling the significant energy requirements of a decarbonised logistics sector and the development of new strategic energy plans by the National Energy System Operator (NESO), including the first full Regional Energy Strategic Plans (RESPs), due in 2028. These plans are expected to provide a clearer picture of future electricity demand and infrastructure requirements at both regional and national level. ■

Find out more



LEADING ON LOGISTICS

The latest episode of *Leading on Logistics* focuses on the role of AI and automation in logistics. Mike Young interviews Jemma James, Director of Partnerships, Logistics UK, and Toby Mills, CEO, Entopy, touching on some of the key findings of the recently published *Innovation Insight Report 2026*.

Listen now

Exclusive events and networking opportunities

AS an Executive Member, you have complimentary access to a number of our flagship events and conferences, including AI and Automation in Logistics, Delivering Decarbonisation, Digital Transformation in Logistics and Logistics Finance Forum, as well as our celebratory black-tie Logistics Awards event.

You can also benefit from access to a variety of exclusive networking opportunities with your industry counterparts at frequent roundtables, advisory boards, drinks receptions, breakfasts and dinners. ■

Upcoming events

22 SEPTEMBER | DINNER

From Workforce to Capability – Building the Skills That Drive Logistics Growth

We will explore one of the sector's most significant workforce challenges: the widening skills gap. As logistics operations become more technology-enabled and complex, access to the right capabilities is becoming a key differentiator for business success.

Register now

6 OCTOBER | DINNER

Global Trade

How are shifting global trade patterns reshaping UK logistics? Join us to discuss the impact of changing demand, trade routes and freight flows on costs, capacity and supply chain resilience.

Register now

14 OCTOBER | DINNER

Cyber Security in Logistics & Supply Chains

Join an exclusive dinner with a Senior NCSC Representative, who will discuss the evolving cyber threats facing logistics organisations and supply chains, and the actions leaders can take to improve resilience.

Register now

20 OCTOBER | WEBINAR

UK Logistics Insights

Speakers will draw on the latest data and member survey insight to explore key trade, infrastructure, skills and decarbonisation trends shaping the industry.

Register now

22 OCTOBER | CONFERENCE

Digital Transformation in Logistics 2026

A flagship event for senior leaders driving innovation, operational excellence and future-focused strategy across the logistics sector.

Register now

17 NOVEMBER | CONFERENCE

Delivering Decarbonisation 2026

Bringing together leaders from across the logistics, transport, energy and infrastructure sectors to explore the practical steps needed to accelerate the UK's transition to net zero.

Register now

Digital Transformation in Logistics 2026

Creating the culture of innovation for logistics businesses

THURSDAY 22 OCTOBER - HILTON KENSINGTON LONDON

In its fourth year, the Digital Transformation in Logistics conference returns as the flagship event for senior leaders driving innovation, operational excellence and future-focused strategy across the logistics sector. This year's programme explores in greater depth than ever the technologies, capabilities and regulatory shifts reshaping the industry, from AI and cyber resilience to autonomous vehicle trials, engineering considerations and the skills needed to deliver innovation at scale.

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