

The Midlands: Powering UK Defence Growth

Turning industrial strength
into national capability



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The Midlands Defence Belt: The UK's workshop for modern defence readiness

The Midlands is the UK's defence manufacturing heartland: a nationally significant industrial base with the scale, resilience and capability to strengthen sovereign defence, support UK allies and unlock economic growth.

Anchored by organisations including Rolls-Royce, Babcock, Safran, RBSL and QinetiQ, the region delivers critical capability across land, sea, air and cyber domains. From Challenger 3 tanks, Boxer armoured vehicles and artillery manufacturing capability in Telford, to actuation systems in Wolverhampton and nuclear propulsion systems in Derby, the Midlands plays a vital role in national security while supporting high-value jobs and growth.

Alongside this industrial strength, the Midlands is home to globally recognised research, innovation and testing assets supporting technologies shaping the future of defence, including AI, drones, autonomous and uncrewed systems, cyber, digital engineering, information advantage and advanced manufacturing.

As modern warfare evolves, the UK already has in the Midlands a concentration of industrial, engineering, logistics and innovation assets that can help repair, upgrade, modernise and scale defence capability at pace.

Many of the capabilities prioritised through the Strategic Defence Review and Defence Investment Plan are already present across the Midlands, including the advanced manufacturing, digital engineering, autonomy, systems integration and

specialist supply chains that support drones, autonomous systems, future combat air capability, next-generation warships and modern land systems.

This concentration of dual-use capability provides a strategic advantage, enabling rapid industrial mobilisation, accelerated capability development, greater resilience and helping deliver the transformation of the UK's Armed Forces.

The Midlands is one of the UK's core defence industrial powerhouses: an established national capability base that designs, engineers, manufactures, tests, integrates, upgrades, sustains and scales the systems, technologies, logistics networks and supply chains that the Armed Forces need now and for the decades ahead.

The Midlands is where defence investment becomes defence capability.



Delivering Defence Capability and Economic Growth

Through the Midlands Defence and Security Blueprint, the region is taking practical action to strengthen capability, drive growth and support UK defence priorities:

1. Unlocking SME potential and strengthening supply chains

Mapping regional industrial capability against MOD requirements to identify gaps, strengthen supply chains and position Midlands firms to support programmes.

Strengthening supply-chain networks and simplifying SME access to defence opportunities, while promoting cyber resilience and capability development.

2. Building an inclusive, future-ready workforce

Securing more than £17m of Government investment in defence-related skills and technical education across seven Midlands universities and colleges, representing 30% of successful providers nationally.¹

Delivering a Defence TEC (DTEC) through a Midlands-led partnership spearheaded by Lincoln College with providers across the region.

3. Driving innovation and dual-use capability

Leveraging nationally significant assets including the MTC, HORIBA MIRA and leading universities to support innovation, testing and technology adoption.

Accelerating the adoption of AI, autonomy, quantum, cyber, digital engineering and advanced manufacturing through industry-academic collaboration.

4. Mobilising investment for defence growth

Developing the case for a Midlands Defence Growth Deal to accelerate capability, investment, productivity and regional growth.

Leveraging international partnerships such as GCAP and major events like the Invictus Games 2027 to showcase Midlands defence ecosystem capability.

5. Establishing governance for impact and delivery

Supporting the growth of three Regional Defence and Security Clusters (RDSCs).

Operating the Midlands Defence and Security Industry Council to provide industry-led leadership, champion regional priorities and coordinate delivery.

Home to more than 50,000 people employed across aerospace, defence and security activities, and many more across the wider supply chain, the Midlands provides the skills, talent and industrial capacity needed to support the UK's future force.

The Defence Investment Plan recognises defence as an engine for growth, supporting industrial clusters, innovation and high-value jobs. The Midlands is already helping turn that ambition into capability, investment, resilient supply chains and skilled employment - and is ready to work with Government to deliver more.

Initial analysis highlights five areas of nationally significant defence capability across the Midlands, demonstrating the breadth and scale of the region’s defence and security ecosystem

38%

Advanced Manufacturing & Supply Chains

38% of identified Midlands defence activity

The industrial foundation of the Midlands defence ecosystem, with hundreds of firms supporting - and able to support more of - the UK’s defence requirements.

25%

Land Systems & Protected Mobility

25% of identified Midlands defence activity

Babcock, RBSL, NP Aerospace, NMS and specialist mobility and protection technologies.

18%

Military Aerospace

18% of identified Midlands defence activity

Safran, Rolls-Royce, Moog, ITP Aero, Parker-Meggitt and a diverse aerospace supply chain.

10%

Nuclear & Propulsion

10% of identified Midlands defence activity

Rolls-Royce, BAE Systems, GE Vernova, Esco Maritime, Ansaldo and specialist nuclear and propulsion expertise.

8%

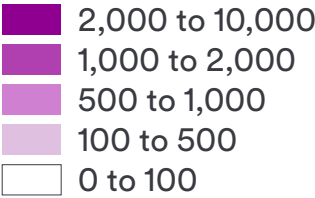
Cyber, Digital & Secure Comms

8% of identified Midlands defence activity

QinetiQ, UKTL and advanced capabilities in information advantage, cyber resilience, tech and comms.

Percentages reflect the indicative distribution of identified defence activity across the Midlands through initial analysis. Capabilities are interconnected and distributed across the region, with the map highlighting key concentrations rather than definitive boundaries. Logos shown represent a selection of major organisations and strategic assets within the Midlands defence ecosystem. Representation is not exhaustive.

Employment per MSOA in Manufacturing (2024)



Defence Assets

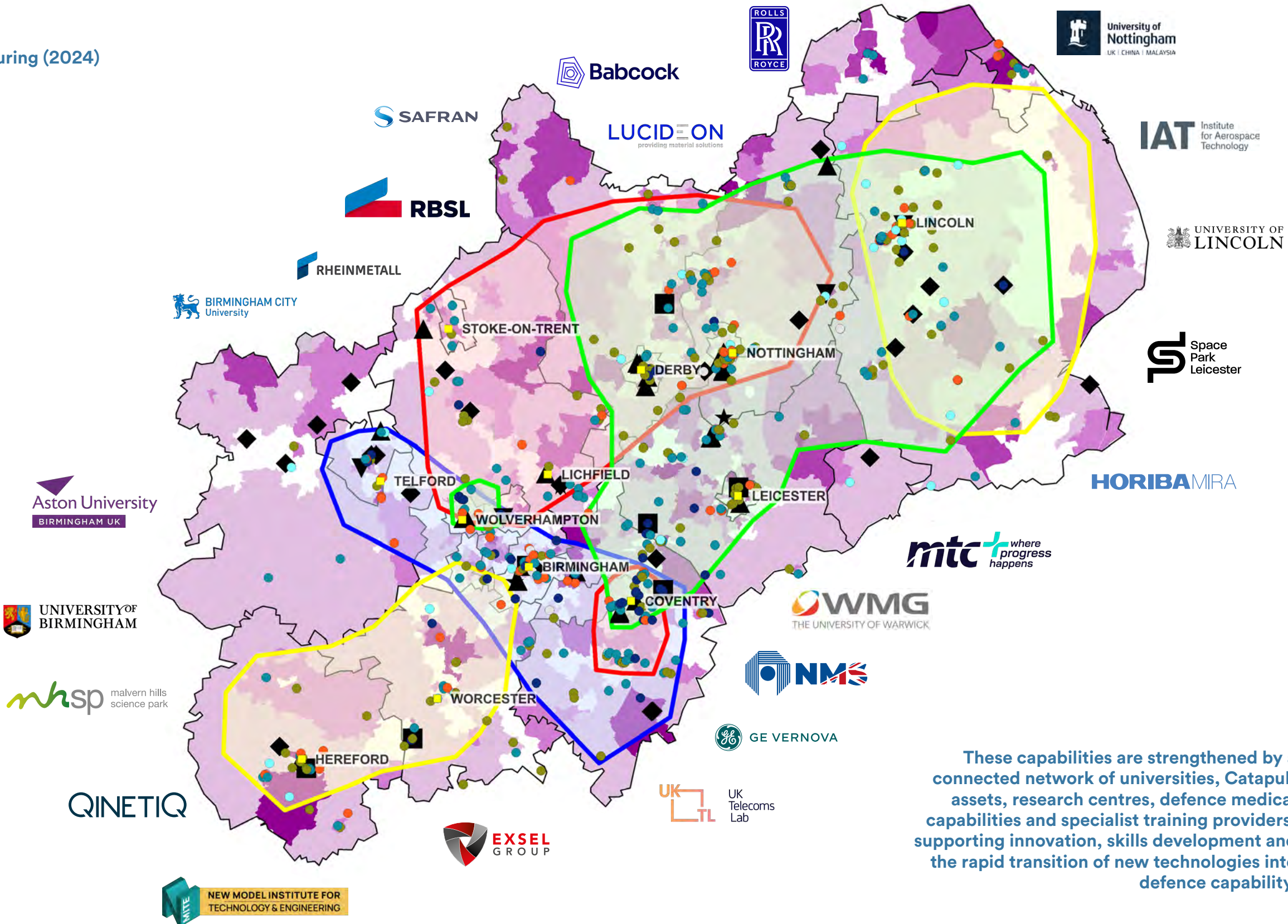
- ★ Defence Medical
- ▼ Defence TEC (DTEC)
- Ecosystem Hub
- ◆ MOD / Defence estate
- ▲ University / R&D

Defence Companies by Size

- Anchor
- Large
- Medium
- Small
- Micro

Capability Areas

- Land Systems & Protected Mobility
- Military Aerospace
- Nuclear & Propulsion
- Cyber, Digital & Secure Comms



These capabilities are strengthened by a connected network of universities, Catapult assets, research centres, defence medical capabilities and specialist training providers, supporting innovation, skills development and the rapid transition of new technologies into defence capability.

Company / Asset Mapping provided by The Economic Intelligence Unit
Capability analysis based on Deloitte defence ecosystem modelling and regional capability assessment.

Outcomes for Defence, Industry and National Security

With the right national and regional backing, the Midlands can help deliver:

- Stronger sovereign defence capability
- Greater warfighting and operational readiness
- Faster adoption of advanced and dual-use technologies
- More resilient and scalable UK defence supply chains
- Accelerated deployment of drones, autonomous systems and AI-enabled capability
- High-value jobs and long-term economic growth

Realising this opportunity requires coordinated investment in:

- Industrial readiness, mobilisation capacity and surge capability
- Skills, workforce development and technical excellence
- SME participation in sovereign defence supply chains
- Innovation, R&D and rapid capability adoption
- Industrial, digital and testing infrastructure
- UK-based defence procurement and supply-chain spend

What strategic investment in the Midlands could unlock:

- Increased capacity to transition from peacetime production to defence mobilisation and operational readiness
- A stronger, more resilient sovereign defence supply chain
- Faster adoption and deployment of advanced and dual-use capabilities
- Enhanced support for Integrated Warfare across land, sea, air, space and cyber
- Increased capacity to support drones, autonomous systems, advanced land systems and next-generation maritime programmes
- A future-ready workforce of engineers, technicians and digital specialists



Strategic investment could unlock:

Up to
£2.9bn
additional direct GVA
to the UK economy
by 2035²

Up to
38,000
additional direct
high-value jobs
by 2035³

£250m
annual MOD spend
through Midlands
SMEs within
five years



A Strategic Partnership for Defence Readiness

By building on the Midlands' industrial, innovation and skills strengths, a strategic partnership with Government could accelerate defence capability delivery, strengthen sovereign supply chains and support national security while driving economic growth.

A Midlands Defence Growth Deal would provide a coordinated platform to translate rising defence investment into production capacity, innovation, exportable capability and skilled jobs. The Midlands is ready to help deliver the UK's future force, while turning defence investment into growth, jobs and opportunity.

Endnotes

¹ <https://www.gov.uk/government/news/24-universities-and-colleges-awarded-investment-to-boost-student-places-and-strengthen-uk-defence-industry>

² Illustrative impacts based on analysis of initial Deloitte modelling. Estimates reflect the direct economic impact of a fully enabled Midlands Defence Ecosystem. Wider indirect, supply chain, induced and productivity benefits are expected to generate additional value.

³ *ibid*