London Borough of Hounslow

Hounslow Local Plan 2020-2041

Employment Background Explanatory Note

October 2025

Introduction

1. This explanatory note has been prepared in response to the inspectors' initial questions issued in July 2025 as part of the examination of the Hounslow Local plan 2020-41. In response to the Inspectors' questions regarding employment land, the Council has commissioned Rapleys, its employment policy consultants, to provide an up-to-date calculation for employment (industrial and office uses) including employment supply and requirements, with a consistent base date. This incorporates tables which update Table 5.5 and Table 6.4 (as well as Table 6.2) of the Employment Land Review (ELR) 2024 (document EBED1).
2. Taken together, these tables provide an overview of the residual position in relation to employment floorspace.

Updates to the ELR tables for employment (industrial and office uses)

3. Tables 5.5a and Table 6.2a on pages 2 and 3 of this document have been prepared to update tables 5.5 and 6.4 of the ELR. These roll forward the supply figures, taking account of the completions and pipeline of sites during the monitoring years 2022-23 and 2023-24. The data for the monitoring year 2024/25 is not yet available and will therefore be provided in a subsequent update.
4. For industrial uses, the overall outcome from the updating of Table 5.5 (as the new Table 5.5a) is a small decrease in the industrial floorspace requirement for the plan period – from 463,796 sq m in the 2024 ELR, to 455,098 sq m. It should be noted that this overall figure is, for the purposes of the plan, split between the west of the borough and the Great West Corridor (GWC)/Rest of the borough, reflecting the distinct markets and dynamics in the different areas.

Table 5.5a LB Hounslow – industrial demand by area and period – 2020-41 (updated with 2022-24 monitoring data)

Period	2020-25	2025-30	2030-35	2035-41	TOTAL 2020-41
WEST OF THE BOROUGH	sq m	sq m	sq m	sq m	sq m
DEMAND					
Economic forecast	(14,168)	80,035	43,941	73,938	183,746
Existing stock vacancy adjustment		58,980			58,980
Replace losses (completions 2020/21-23/24)	902				902
Replace losses (pipeline permissions)		3,883			3,883
Total Need	***(13,266)***	***142,897***	***43,941***	***73,938***	***247,511***
GREAT WEST CORRIDOR and REST Of The BOROUGH	sq m	sq m	sq m	sq m	sq m
DEMAND					
Economic forecast	(9,445)	53,357	29,294	49,292	122,497
Existing stock vacancy adjustment		39,320			39,320
Replace losses (completions 2020/21-23/24)	33,382				33,382
Replace losses (pipeline permissions)		12,388			12,388
Total Need	***23,937***	***105,065***	***29,294***	***49,292***	***207,587***
Borough-wide total demand	**10,671**	**247,962**	**73,235**	**123,230**	**455,098**

Source: Experian forecast, plus Rapleys analysis

5. Table 6.2 of the ELR provided an overview of the industrial balance, incorporating the supply of sites and comparing this to the net demand to give a residual figure. Rapleys have updated this table to provide the updated residual figure based on the current planning pipeline. As can be seen in the updated table 6.2a, the pipeline shows an increased supply of floorspace in the West of the Borough but a decrease in the Great West Corridor and the rest of the borough. Overall, the supply of industrial floorspace from completions and pipeline sites increases from the figure in the ELR. **However, along with the site allocations on existing sites in the plan (identified in the tables as brownfield intensification), this would still leave the borough with a deficit in employment land of 223,748 sqm between 2020-41 (reduced from 260,985 sqm identified in the ELR 2024)**.

Table 6.2a – Industrial balance for the period 2020-41 (updated with 2022-24 monitoring data)

Period	2020-25	2025-30	2030-35	2035-41	TOTAL 2020-41
WEST OF THE BOROUGH	sq m	sq m	sq m	sq m	sq m
DEMAND					
Economic forecast	(14,168)	80,035	43,941	73,938	183,746
Existing stock vacancy adjustment		58,980			58,980
Replace losses (completions 2020/21-23/24)	902				902
Replace losses (pipeline permissions)		3,883			3,883
Total Need	***(13,266)***	***142,897***	***43,941***	***73,938***	***247,511***
SUPPLY					
A1. Net change in completions 2020/21-23/24	26,655				26,655
A2. Planning permissions		6,705			6,705
B. Brownfield intensification	(803)	9,312	(1,139)	424	7,794
C. Potential intensification of under-utilized land		*10,500*		*81,000*	*91,500*
Total Supply	***25,852***	***26,517***	***(1,139)***	***81,424***	***132,654***
WoB total industrial need	**(39,118)**	**116,380**	**45,080**	**-7,486**	**114,857**
GREAT WEST CORRIDOR and REST Of The BOROUGH	sq m	sq m	sq m	sq m	sq m
DEMAND					
Economic forecast	(9,445)	53,357	29,294	49,292	122,497
Existing stock vacancy adjustment		39,320			39,320
Replace losses (completions 2020/21-23/24)	33,382				33,382
Replace losses (pipeline permissions)		12,388			12,388
Total Need	***23,937***	***105,065***	***29,294***	***49,292***	***207,587***
SUPPLY					
A1. Net change in completions 2020/21-23/24	7,541				7,541
A2. Planning permissions		1,759			1,759
B. Brownfield intensification	(1,085)	42,613	28,955	15,913	86,396
C. Potential intensification of under-utilized land		*3,000*			*3,000*
Total Supply	**6,456**	**47,372**	**28,955**	**15,913**	**98,696**
GWC/RoB total industrial need	**17,481**	**57,693**	**339**	**33,379**	**108,892**
BOROUGH-WIDE NEED (RESIDUAL)	**(21,637)**	**174,073**	**45,419**	**25,893**	**223,748**

Source: Experian Economic Forecast, LB Hounslow plan monitoring and Rapleys analysis

6. Rapleys have also updated the relevant tables from the ELR 2024 for offices. As shown in Table 6.4a overleaf, updating the offices requirement figure results in a small reduction – from 135,944 sq m to 132,994 sq m, reflecting a small increase in planning permissions reported in 2024. Table 6.4a has not included the office space that has been lost in the last two monitoring years, which is consistent with the methodology in the ELR of not adding lost floorspace to the requirement figure.

Table 6.4a – Office balance for period 2020-41 (updated with 2022-24 monitoring data)

	Office	Workshop	Total 2020-41	p.a.
Gross demand (sq m GIA) [h+l]	**122,773**	**81,848**	**204,621**	**9,744**
Supply				
A1. Completions 2020/21-23/24			2,007	
A2. Planning permissions			8,374	
B. Brownfield intensification			61,246	
C. Intensification of under-utilized land			-	
Total supply			***71,627***	
Total office need			**132,994**	

Source: Gross demand from Table 4.4 above, LB Hounslow plan monitoring and Rapleys analysis

Implications of the updated tables

7. In summary, the updated tables, incorporating the monitoring data from 2022-24, do not show any significant change to the supply/demand balance set out in the ELR. Rapleys consider that this is not surprising because, unlike other parts of the UK, construction in London largely ceased over the period of the Covid-19 pandemic. London was much more susceptible to labour issues in the Covid period and cost price uncertainty – later fuelled by the Ukraine war spiking build costs.
8. Further, although not directly related to economic land, the need to rescope major residential-led schemes following the Grenfell Tower tragedy resulted in significant viability-related impacts on the London-wide development market. These issues are likely to have significantly reduced development activity in recent years and development over this period would not appear typical of longer-term plan period trends.
9. For office developments, like previous versions of the ELR, the latest monitoring data shows significant losses of floorspace through completions and pipelines sites since 2020-21 (77,719 sqm and 85,022 sqm respectively). As stated above, under the ELR methodology (outlined in para 4.18 of the ELR 2014), these losses are not added to the office floorspace requirement. The rationale for this is that the loss of office floorspace in recent years has not coincided with a loss of jobs, or

worsening of other indicators – and the study is still projecting further growth in jobs, fuelled by sectors such as the creatives.

10. The latest data is showing a modest increase in supply from completions/pipeline permissions. Overall, pipeline sites and allocations provide a supply of 71,627 sqm and this therefore leaves an unmet office floorspace requirement of 132,994 sqm. While acknowledging that this is a considerable shortfall, the ELR states that the market is not seeking or promoting new sites at the moment, but that there is flexibility in the plan for proposals which do come forward. It notes that there is nothing preventing redevelopment of policy-compliant stock, e.g. town centre office supply, for new formats. Within the GWC, it highlights that there is scope to reshape the development mix between uses over the long-term delivery programme for this area. It recommends that the current priority should be to take a flexible approach to scheme development and that there is scope to identify more supply within the plan period if needed.
11. For industrial developments, **in the GWC and rest of the borough**, the industrial land shortfall is 108,892 sqm. In the **west of the borough**, there have been permissions granted for significant additional floorspace. However, there have also been permissions granted involving a loss of a modest quantum of floorspace. The impact of the updated monitoring data in this area is a reduction in the residual requirement, to 114,857 sqm.
12. Regarding the tables and the methodology in the ELR, while the Council recognises that there may be opportunities to intensify under-utilised existing sites, given that none of these sites having been promoted to the Council or found to be available for development, it considers that this is not a source of supply which can be relied upon. **This means that, removing this source of supply, the residual requirement for industrial floorspace is 111,892 sqm in the GWC/rest of the borough, and 206,357 sqm in the west of the borough**.
13. In the GWC/rest of the borough, the Council considers that the need is of a typology that can be delivered through the market on policy-compliant sites where required, in a similar manner to the outstanding office need. The next plan review would have the opportunity to assess the delivery of floorspace and to make plans and allocations to further meet the need for the outstanding requirement for floorspace. For the time being, the Council considers that the data underlines the need to continue with a positive strategy for delivering employment land through the site

allocations, as well as aiming to protect existing industrial land in these areas of the borough.

14. In the west of the borough, however, despite the improvement in supply for industrial development, there is still a very substantial shortfall, of 206,357 sqm. In order to alleviate this, the plan is only able to identify scope for a modest supply of floorspace through allocations on existing sites, reflecting the much more limited scope for industrial intensification in these areas.

As the ELR states (para 6.24), there is no short-term pipeline of space and there is a backlog of demand. Relying on intensification as a solution, it says, would mean there would not be a robust short-term deliverable supply of land. Further, tables 5.5a and 6.2a show that 142,897sqm of the need for industrial land in the west of the Borough is required in the 2025-30 phase of the plan – a figure which indicates the urgency of finding a solution to this shortfall of land. For these reasons, and in the absence of a solution to this large shortfall being found via the Duty to Co-operate, the Council considers that it is necessary to consider potential land in the Green Belt, and whether there are exceptional circumstances to justify releases of such land for industrial development. The ELR 2024 therefore outlines the Green Belt sites which have been identified as potential sources of supply, all of which are located in the west of the borough. These sites, taken together, could deliver 130,480 sqm of floorspace.

Table 4a: Summary of industrial need/supply (West of the Borough): 2020-41

Period	2020-25	2025-30	2030-35	2035-41	TOTAL 2020-41
WEST OF THE BOROUGH	sq m	sq m	sq m	sq m	sq m
DEMAND					
Total Need	***(13,266)***	**142,897**	**43,941**	**73,938**	**247,511**
SUPPLY					
A1. Net change in completions 2020/21-23/24	26,655				26,655
A2. Planning permissions		6,705			6,705
B. Brownfield intensification	(803)	9,312	(1,139)	424	7,794
Total Supply	***25,852***	***16,017***	***(1,139)***	***424***	***41,154***
Green Belt Industrial sites					**130,480**
WoB total industrial need	**(39,118)**	**126,880**	**45,080**	**73,514**	**75,877**

Source: ELR 2024 and Explanatory Note 2025

15. Added to the supply, the Green Belt sites would reduce the unmet remaining industrial requirement in the west of the borough to 75,877 sqm, as shown in Table 4a, above on page 6. While not eliminating the deficit, this would provide a very significant source of supply to help reduce the shortfall. The sites identified are suitable in terms of their typology and location. The Council therefore believes **exceptional circumstances are demonstrated justifying the release of these sites for industrial development, in compliance with para 146 of the National Planning Policy Framework (NPPF (2023))**.
16. **The Council considers that this strategy is in general conformity with the 2021 London Plan. A Statement of Common Ground signed between LB Hounslow and the Greater London Authority (document EX5e) was completed on 6th October 2025 and included agreement over the approach to providing employment land**.

Jobs figures

17. The inspectors have asked the Council to provide a 'residual position' relative to the indicative jobs figures provided in Table 2.1 of the London Plan having regard to the number of jobs delivered between 2016 and the base date of the Plan, and then up to 2025 in Hounslow respectively (for industrial and offices).
18. This request relates to Policy SD1 of the 2021 London Plan (document ADP1), which sets out a strategic framework for those parts of London that it states will see significant development over the plan period, and which designates these areas as Opportunity Areas. For Hounslow, the policy designates one Opportunity Area within the borough (Great West Corridor) and one Opportunity Area partly within the borough (Heathrow).
19. The policy states that boroughs should set out how they will encourage and deliver the growth potential of these areas. It says they should establish the capacity for growth in the Opportunity Areas, taking account of the indicative capacity for homes and jobs in the accompanying table, Table 2.1. So these figures relate to the Opportunity Areas only; not to the whole of the LB Hounslow.
20. But while Table 2.1 presents figures for jobs and homes in these areas, it is important to note that the jobs numbers set out are described as 'indicative capacity' figures - with the table giving an indicative capacity of 14,000 jobs in the Great West Corridor and 11,000 jobs in Heathrow. The supporting text to the policy (para 2.1.1) states that boroughs should use

the figures as a starting point when developing policies for development plans, to be tested through the assessment process.

21. The Council does not directly monitor the delivery of jobs through planning permissions. While jobs projections are a suitable indicator for deriving a requirement for additional employment floorspace across the borough for the plan period, they are subject to a much greater margin of error when applied to smaller areas or individual schemes. For these reasons, the Council monitors employment floorspace gains and losses in its monitoring reports rather than jobs.
22. So to provide an overall estimate of the jobs changes in LB Hounslow since the base date of the London Plan (2016), Rapleys have updated Tables 4.2 and 5.2 of the ELR to provide an overview of trends in the period 2016-23 in the industrial and office categories, across the borough as a whole. These tables are based on the ONS's Business Register and Employment Survey (BRES), supplemented by Experian analysis of these figures. Please note that the 2024 figures for this survey have not yet been published, so the data here is presented up to 2023.
23. Considerable care is needed when comparing individual years in this survey because the raw job number data for Hounslow from the BRES is very unstable between years. Rapleys state that data instability is common in the survey figures, and that this is a key reason for the ELR's approach of using data from Experian projections. These figures aim to remove anomalies and smooth the job count data between years. Notwithstanding this, Rapleys state that the degree of instability in the Hounslow figures is unusual. The charts shown below (in Figures 1 and 2) show the raw BRES data to illustrate this.
24. For jobs growth arising from offices, Table 4.2 of the ELR 2024 is updated to produce Table 4.2a, using 2016 as the starting year, which shows a growth rate of 126 jobs per annum in the period up to 2023. For comparison, using 2019 as the start date (which was presented in the ELR 2024) showed 650 jobs growth per annum, a much higher figure because 2019 was a low year for Hounslow in terms of the jobs numbers indicated in the BRES.
25. While broadcaster Sky has been growing employment at their Centaurs Park site in the borough (in the GWC), there is a caveat that there may be errors in how their employment has been calculated between years. Rapleys consider that this may have resulted in an overestimation of office job growth since major works were completed on their site around 2020/21 and a possible correction in 2023. Notwithstanding this caveat,

the number of office jobs in the borough has, according to the data, recovered from a sharp contraction between 2016-2020 and has, in recent years, seen strong office sector growth – driven by the film and media sectors.

26. For industrial uses, the job numbers in the borough showed rapid growth between 2016 – 2019, according to the data, followed by some degree of volatility in the period following that, with the figures in the ELR 2024 showing an annual jobs change figure between 2019-23 of minus 477. Overall, the figures shown in this note in the updated table 5.2a show growth in numbers from the base date of 2016, up to 2023. The borough's industrial sectors would have been heavily influenced by the Covid-19 pandemic, which may explain 2019 being the high point in terms of jobs. As noted above, Experian 'smooth' data errors between years (the data below is 'raw' BRES data) and even though the strength of growth varies depending on the base date, the overall message is that industrial jobs, and partially warehouse-related jobs, continue to grow and are forecast to continue growing.

Figure 1: LB Hounslow job change 2016-23 (Offices)

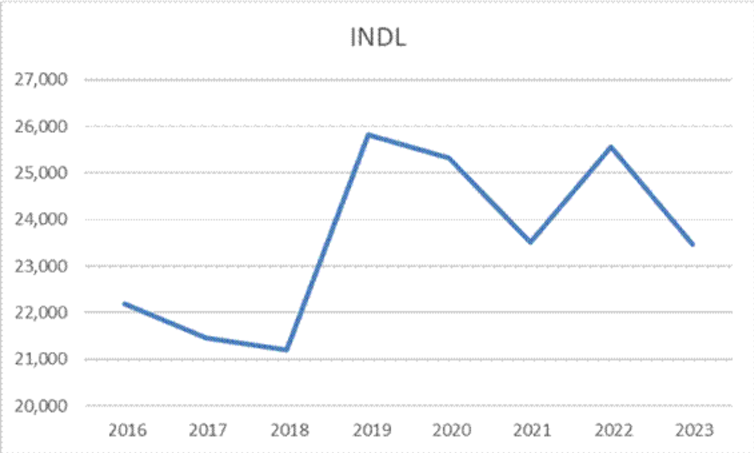
Source: BRES

Table 4.2a (updated) LB Hounslow office job change 2016-23

Job change 2016-23	Total	Job change pa
Office	880	126

Source: Experian economic forecasts with the distribution based on the BRES data for each year.

Figure 2: LB Hounslow job change 2016-23 (Industrial)



Source: BRES

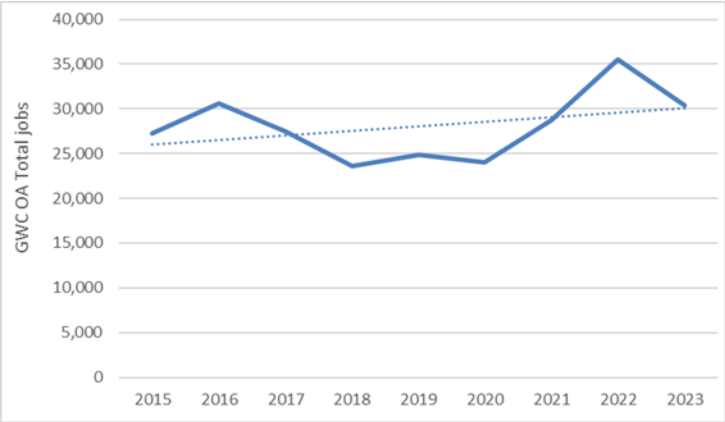
Table 5.2a (updated) LB Hounslow industrial job change 2016-23

Job change 2016-23	Total	Job change pa
Industrial	-493	-70
Warehousing	1,589	227
Industrial total	**1,096**	**157**

Source: Experian economic forecasts with the distribution based on the BRES data for each year.

27. Secondly, Rapleys have provided BRES data from the ONS for the **Great West Corridor (GWC)**, the only Opportunity Area lying wholly within the borough. This suggests that the headline number of jobs (around 30,000) has not changed in the area between 2016 and 2023.

Figure 3: Total Jobs – Great West Corridor area



Source: ONS (BRES)

28. It can be seen that the trend shows volatility between 2021-23. The ONS have stated that, having reviewed this data, the small area data should not be relied upon due to possible errors, and that the data has previously shown fluctuations related to large businesses in the area, especially in relation to the counting of remote workers.
29. Council monitoring data suggests that around 35,000 sqm net additional floorspace has been delivered in the GWC since 2016, with the majority of the additional space (around 120,000 sqm gross floorspace to date) being office and studio-related space at Sky. There have also been floorspace losses, including as part of the Brentford Community Stadium development, and further losses through permitted development rights – thus bringing down the overall net figure.
30. There is a pipeline of further supply of employment space across the GWC, taking account of the final phases of Sky and the allocations being brought forward. However, this is reliant on the ability to control and manage losses of employment space in the area, including to residential development. There is a risk that recent pressure from the development industry to redevelop offices and other employment land for mainly residential use in this area could undermine the economic thrust of the Opportunity Area, regardless of the indicative capacity outlined in table 2.1 of the London Plan.
31. Overall, therefore, the Council considers that the plan should continue to take a very positive approach to delivering employment land, in order to ensure a mix of uses, achieve both the homes and jobs targets in the London Plan, and to ensure the sustainable growth of the area, accompanied by public transport improvements and enhancements to

environmental quality and the public realm. In order to do this, the Council considers that the objective should remain to deliver the site allocations as outlined in the plan, while allowing for flexibility in the short-term where robustly justified.

32. The **Heathrow opportunity area** spans Hounslow and Hillingdon boroughs with no individual borough-level figure of indicative capacity. However, in this part of the borough, the evidence in the ELR, as outlined above, shows that there is a clear shortfall of supply of land for businesses operating in the warehousing/logistics sectors, as explained above. The focus in this area is therefore on bringing forward policies and allocations to help alleviate this significant shortfall.

London Plan Offices Requirement

33. Finally, the inspectors also requested updates to be provided in the context of Table 6.1 of the London Plan in terms of office employment and floorspace demand, and the residual position to reflect any net additions and losses of such employment/floorspace from 2016 up to the base date of the plan.
34. **Table 6.1 of the London Plan** does not provide data directly relevant to Hounslow; the table provides an indication of job growth, based on the 2017 London Office Policy Review (LOPR), for broad areas of London – with Hounslow in the 'outer London' category.
35. Given the age of the data, the 2024 Employment Land Review did not consider the 2017 London Office Policy Review (LOPR). It had been considered in the earlier 2020 version of the ELR (section 2): this noted that the LOPR projected Hounslow growing by 780 office sector jobs p.a. This is similar, albeit slightly higher, than the updated job forecast used in the 2024 ELR, of 613 jobs per annum, which used a 2023 Experian Forecast to derive its requirements. So, the Council considers the 2024 ELR broadly reflects table 6.1 of the London Plan and provides the plan with a robust evidence base to develop the plan strategy.
36. The latest updates to the floorspace demand for offices, as well as an outline the net additions and losses of office floorspace, are provided in the first section of this note.
37. **Overall, the Council considers that the latest monitoring data reinforces the soundness of the plan strategy. It also considers that the plan is in general conformity with the London Plan. A Statement of Common Ground has recently been agreed with the GLA**

(document EX5e) which includes agreement over the approach to employment land in the plan strategy.