

**HOUNSLOW LOCAL PLAN EXAMINATION – RESPONSE ON BEHALF OF SEGRO
(RESPONDENT 098, 099)****MATTER 10: DELIVERING THE IDENTIFIED REQUIREMENTS OVER THE PLAN
PERIOD**

Issue: Whether the Plan approach towards the identification and supply of land and anticipated delivery of development is positively prepared, justified, effective, consistent with national policy and in general conformity with the London Plan, so as to ensure the timely delivery of the identified requirements for the Borough?

SEGRO welcome the opportunity to respond to the Hounslow Local Plan Matters, Issues and Questions identified by the Inspectors.

Land for Employment, Retail and Leisure

15) Is there a suitable range and choice of employment locations, town centres and proposed allocations, in terms of type, quality and size, to address the particular characteristics, roles and functions of areas of the Borough and to meet the requirements for employment growth and associated requirements for employment floorspace and main town centre uses in the Plan?

1. The Council's Evidence Base has identified the Borough's employment needs in terms of type, quality and size to address the particular characteristics, roles and functions of areas of the Borough (i.e. the Opportunity Areas) and to meet the requirements for employment growth and associated requirements for employment floorspace. This includes EBED1, EX9 and EX45.
2. This evidence records a significant requirement for logistics, the majority of which is to be provided for the West of Borough, where the demand for large scale logistics floorspace is acknowledged to be greatest.
3. The Plan for large scale logistics development West of Borough is positively prepared. The scale of logistics demand assessed by EBED1 (page 56, Table 5.3) exceeds supply by a significant margin, a position confirmed by EX9 (see, for example, page 3, Table 6.2a). This is consistent with constrained and under supplied market conditions. These characteristics and performance speak to the

success of the Heathrow market and underscore the reasons why more land is required to ensure continued success and added economic value to LB Hounslow.

4. This is seen through the spatial strategy and area policies for the Great West Corridor and the West of Borough.
5. We can also see this carried forward into the site allocations in the Plan. For example, the West of Borough is where the demand for strategic employment floorspace arises and is therefore being planned for. This includes the site allocations for employment at Hatton Fields and Vacant Land at Dick Turpin Way (collectively referred to by SEGRO in their responses to the Local Plan as Land at Hatton Cross).
6. From a property market perspective, development is directed to the right areas, specifically, industrial and logistics uses to the West of Borough (Hounslow's share of the Heathrow market area), where market demands are different from those that characterise and will be promoted in the Great West Corridor.

16) What land supply remains available within existing employment areas and town centres and what contribution can they make relative to identified needs? Is there any evidence of long-term vacancy of land and premises?

7. In the context of existing employment areas, SEGRO refer to their Matter Statements 2 and 4 and the evidence presented at these hearing sessions, as background. And also our Matter Statement for the Follow-Up Session in the context of EX45 Employment: 2024-25 Monitoring Updates and Indicative Floorspace figures for the Opportunity Areas.
8. SEGRO's Heathrow portfolio of sites is extensive (c 480,000 sqm) and characterised by extremely high occupancy rates (99.4%). Demand for premises exceeds supply, particularly for mid-box + units (c 4,700 sqm plus) around Heathrow. 16 such occupier requirements compared to five available units. The strong performance of the Heathrow market and SEGRO's Heathrow portfolio is driven by a broad based and increasingly diverse occupier requirements giving rise to an exceptionally high occupancy rate. This reinforces the unique challenge here.

9. The marked is constrained by limited availability of premises in the face of live requirements that exceed available supply by a considerable margin. In our view there is no existing land supply to accommodate net gains in large scale industrial and logistics floorspace.
10. Redevelopment of existing employment areas is a theoretical possibility but could not generate appreciable gains.
11. It is more likely that losses of industrial and logistics floorspace would result from the redevelopment of existing employment areas. For example, to residential or where the use changes to data centres. In the case of the latter, the West of Borough will see the loss of 20,700 sqm industrial and logistics (B2/B8) floorspace at Feltham, and potentially, a further 26,270 sqm at Heathrow Estate. These are individually or in combination significant losses.
12. Overall, based on the Council's monitoring updates and indicative floorspace figures for the Opportunity Areas, and the Local Plan's proposed allocations there remains a significant shortfall in the unmet need for the West of Borough.