

Harrow

Local Economic Assessment 2019 - 2020

Town Centres, Offices and Industrial Estates

The provision of appropriate buildings and floorspace is essential to the efficient running of the local economy. In line with national trends, there has been a slow decrease in the amount of manufacturing floorspace in the borough while the loss of office accommodation reflects Outer London trends.

Little recent private sector investment in office and light industrial accommodation in the borough is a key concern, although this is also an issue across Outer London.

Floorspace by Type

11.1 Table 11.1 shows that in 2000/01 the borough's commercial stock was relatively evenly split between the main types of space - retail, offices and industrial. In 2018/19 retail accounted for the largest share (36.7%), followed by industry (30%) and offices (20.4%). In this eighteen-year period, the decline in the amount of office (41%) and industrial (34.4%) floorspace has resulted in Harrow's retail floorspace accounting for the highest proportion of commercial floorspace in Harrow in 2018/19. The amount of floorspace for 'other' premises in Harrow increased by 25.8% over the same period. Overall, there has been a decline of 224,000 m² (20.5%) in commercial floorspace since 2000/01. In the last three years, since 2015/16, there has been a decline of 2,000 m² of retail floorspace (0.6%), 33,000 m² of office floorspace (15.7%) and 5,000 m² (1.9%) of industrial floorspace, whereas the amount of 'other' floorspace has increased by 5,000 m² (4.7%).

Table 11.1: Commercial Floorspace - Total Stock Changes, 2000/01 to 2018/19

Type	2000/01		2018/19		Change	
	Floorspace (m ²)	%	Floorspace (m ²)	%	Floorspace (m ²)	%
Retail	306,000	28.0	319,000	36.7	13,000	4.2
Office	300,000	27.4	177,000	20.4	-123,000	-41.0
Industrial	398,000	36.5	261,000	30.0	-137,000	-34.4
Other¹	89,000	8.1	112,000	12.9	23,000	25.8
Total	1,093,000		869,000		-224,000	-20.5

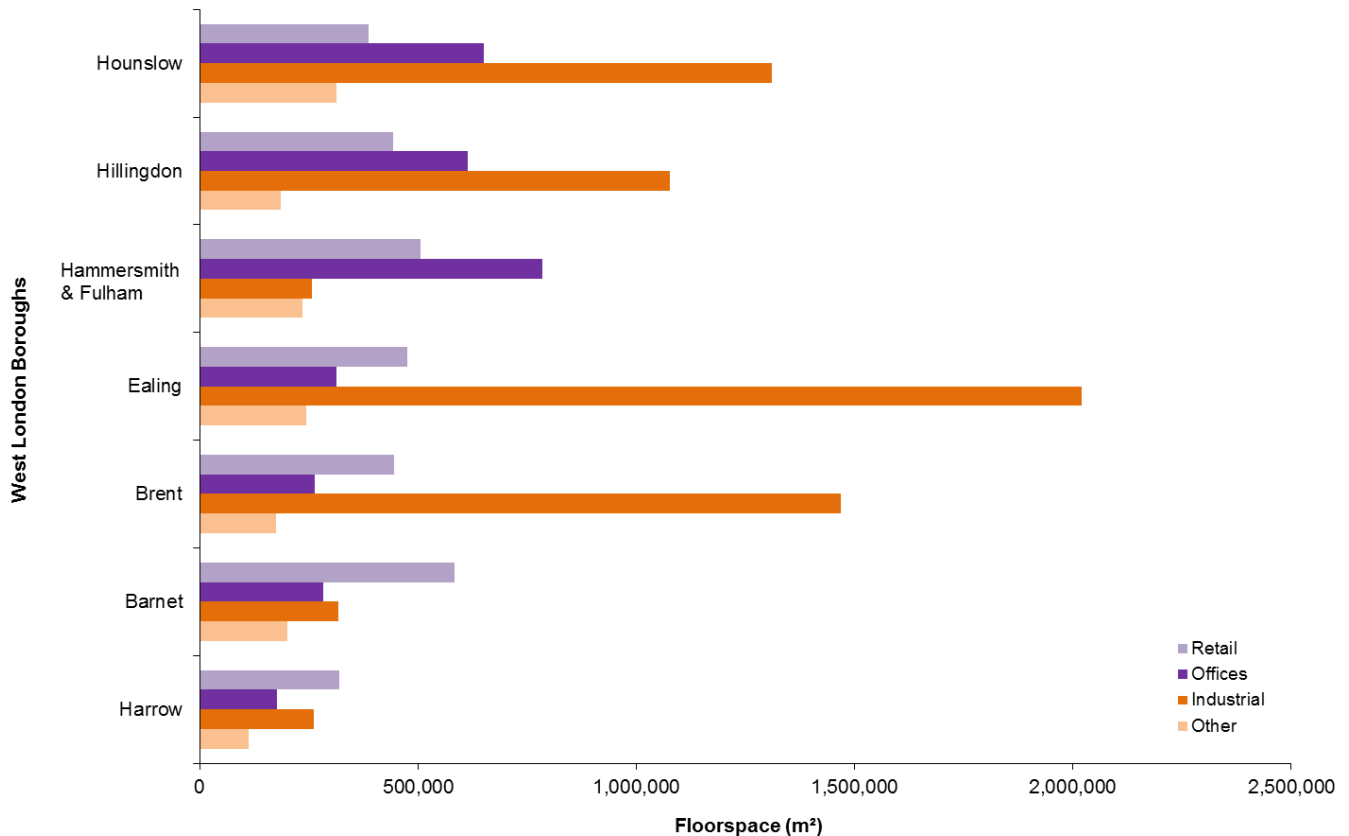
Source: Valuation Office Agency, NDR Business Floorspace

11.2 Overall, the borough has a significantly lower amount of total commercial floorspace than all the other West London boroughs (Figure 11.1). Harrow has the smallest stock of retail, industrial, and office floorspace in West London.

11.3 Much of Harrow's B1(a) office space has been lost through change of uses to residential rather than demolition, reflecting the relative higher land values for residential use that have existed in the borough. The Government's amendment to the General Permitted Development Order (May 2013) allowing the change of use from Class B1(a) office to Class C3 residential, without the need for planning permission, has made it easier for developers to convert existing office premises to residential use. This amendment to the GDPO was originally only for temporary period of three years, however in April 2016 these permitted development rights were made permanent. The pressure for changes of use from lower value land uses (office and light industrial) to higher value land uses (residential and retail) is therefore likely to continue.

11.4 It should be noted that the loss of floorspace is not mirrored in the total number of individual units that are eligible for business rates ('hereditaments'). In Harrow, for example, between 2000/01 and 2018/19 the number of hereditaments increased by 16.8% from 4,870 to 5,690, while the total amount of business floorspace decreased by 224,000 m² (20.5%). This shows that the average size of a business unit, in terms of floorspace, is declining. In Harrow the average size of a business unit went from 224.4 m² in 2000/01 down to 152.7 m² in 2018/19.

¹ Includes a variety of premises that do not fall into one of the main bulk classes, such as garden centres, halls and social clubs

Figure 11.1: Retail, Office, Industrial and Other Floorspace in West London, 2018/19

Source: Valuation Office Agency, NDR Business Floorspace

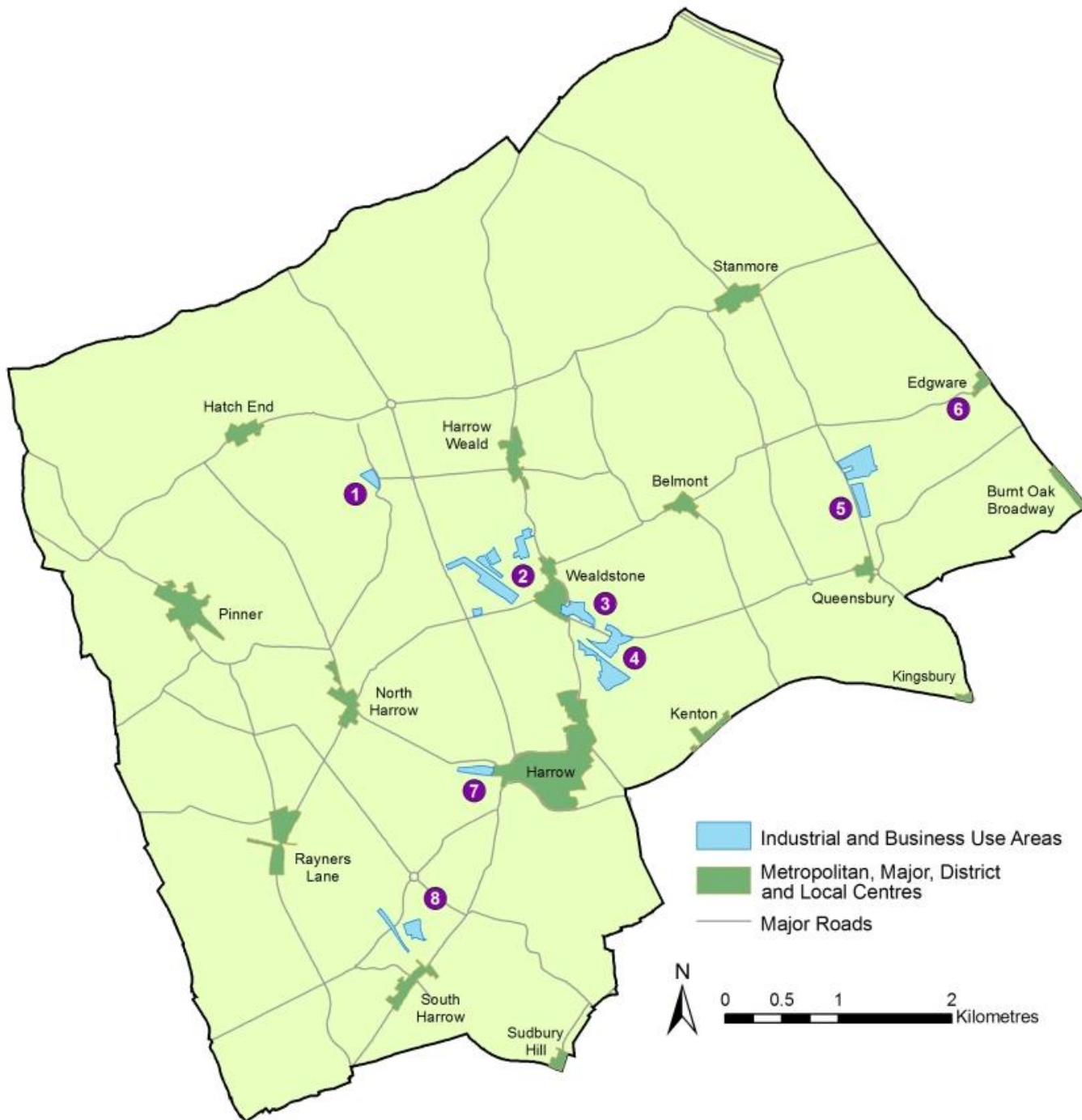
Town Centres

11.5 Harrow Town Centre is regarded as one of the UK's top retail centres and is one of only thirteen Metropolitan centres within London². In 2015 Harrow ranked 99th in the "Hot 100 UK" retail locations; it was 5th in Greater London, behind Croydon, Kingston upon Thames, Bromley and Enfield Town (CACI). In 2018 Harrow was ranked 59th in the nationwide "High Street Investment Ranking" and 6th in Greater London behind Kingston upon Thames, Richmond, Bromley, Wimbledon and Uxbridge (Knight Frank).

11.6 As well as Harrow Town Centre, the London Borough of Harrow has one Major Centre, Edgware, nine District Centres and five Local Centres. Together, they provide a significant number of jobs for local residents as well as providing for social and community needs. The council undertakes regular surveys of these town centres to assess their relative strength. Map 11.1 shows the location of the Metropolitan, Major, District and Local Centres in Harrow.

² Metropolitan Centres designated in the London Plan: Bromley, Croydon, Ealing, Harrow, Hounslow, Ilford, Kingston Upon Thames, Romford, Shepherds Bush, Stratford, Sutton, Uxbridge, Wood Green

Map 11.1: Location of Town Centres, Industrial and Business Use Areas



- | | |
|---|---|
| <ul style="list-style-type: none"> 1 Chantry Place 2 Barratt Way Industrial Estate, Whitefriars Industrial Estate, Tudor Enterprise Park, British Rail Goods Yard, Kodak Works, Waverley Industrial Estate 3 Palmerston Road & Oxford Road, Masons Ave & Hegra Road 4 Christchurch Industrial Estate, Rosslyn Crescent/Phoenix Industrial Estate, Crystal Centre, Hawthorn Centre | <ul style="list-style-type: none"> 5 Parr Road/Garland Road Industrial Estate, Dalston Gardens & Honeypot Lane 6 Ballards Mews, Spring Villa Park 7 Neptune Road Industrial Estate 8 Brember Road Industrial Estate, Northolt Road, The Arches - South Harrow |
|---|---|

Source: Harrow Council, Regeneration, Planning & Enterprise
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Figure 11.2: Percentage Change in Footfall Compared to 1999/00 Baseline

Source: Harrow Council, Regeneration, Planning & Enterprise

11.7 There was a significant decline in footfall within Harrow's key town centres of 646,900 from the 1999/00 baseline to 2013/14, which equates to an overall fall of 17.8%. When excluding Harrow Town Centre, where the collection of footfall data is now automated (see below), thus replacing the manual surveys still used in the other centres this figure was 214,500 in 2013/14, 293,650 in 2015/16 and 238,630 in 2018/19. This decline equates to an overall fall of 13.4% in 2013/14 and 18.3% in 2015/16 and 14.9% in 2018/19 (Figure 11.2). This overall general decline in footfall may be representative of reduction in household disposable income, a shift away from the high street to online shopping and competition from out-of-town centres and supermarkets.

11.8 In the Harrow Metropolitan Centre footfall is measured using an automated counting system introduced in November 2014. Cameras were initially installed in two locations within the centre, Station Road and College Road with a third location, St. Anns Road, added later in June 2015.

11.9 In 2018/19, the week commencing 17th December 2018 had the highest footfall with 539,216 visitors (compared to a high of 511,852 in 2015/16). Saturday 22nd December being the busiest day that week with 100,027 visitors (compared to a high of 95,938 in 2015/16). This was also the busiest day of the year (compared to a high of 102,598 in 2015/16). The lowest footfall recorded was in the week commencing 4th February 2019 with 346,225 visitors (compared to a low of 357,087 visitors in 2015/16). It can be seen, from these figures, that footfall in Harrow Town Centre is on the increase, with more people visiting, shopping and eating in the town centre. A wide range of shops and restaurants, lower vacancy rates which improve the image of the centre, the improved public realm and a variety of events such as the 'International Summer Market' all contributing to making Harrow Town Centre a more attractive venue for Harrow's residents.

11.10 The Retail Gazette reported in October 2019 that the number of shoppers heading to UK high streets, retail parks and shopping centres has declined by 10% in the last seven years. In September 2019, retail footfall dropped by 1.7% compared to the previous year according to the British Retail Consortium (BRC) and Springboard. Shopping centres saw footfall decline by 3.2% and high streets by

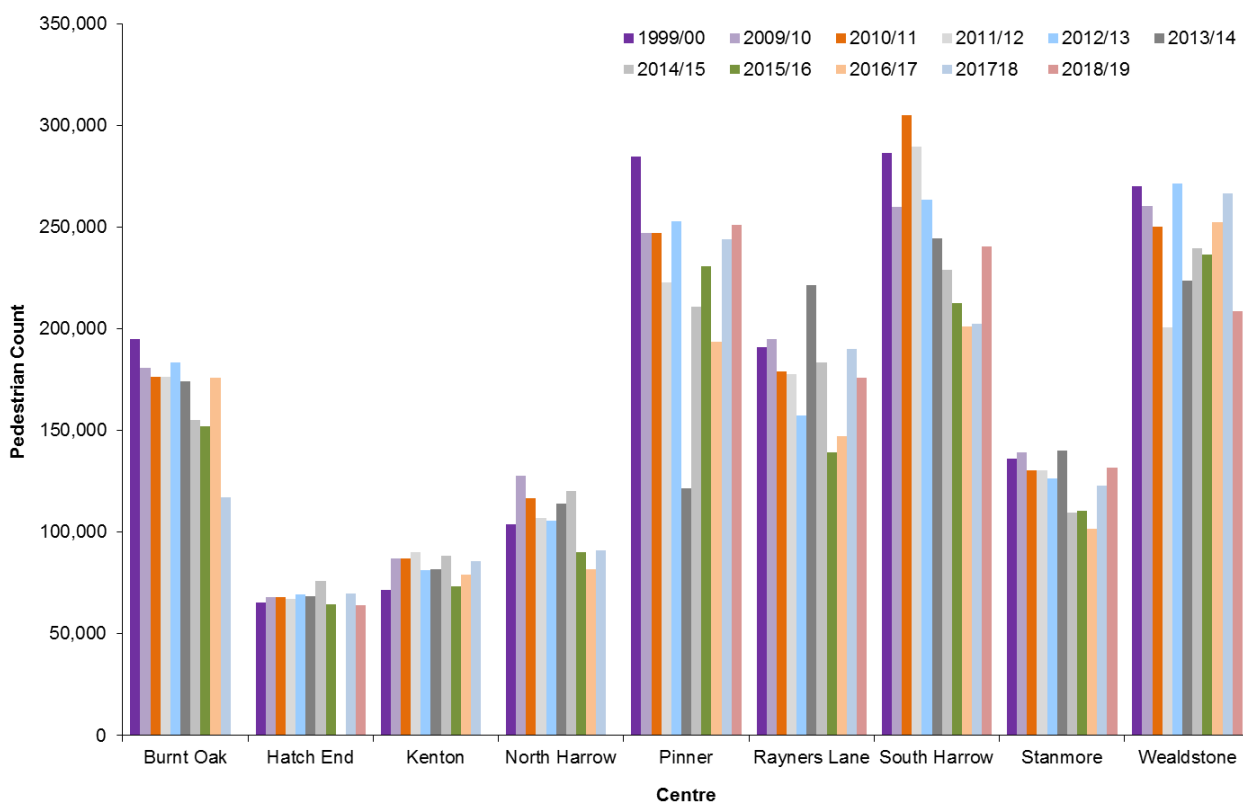
1.8%. In 2019 a number of major retailers announced store closure plans including Debenhams and Marks & Spencer, it will have to be seen if this affects the stores in Harrow.³

11.11 In Harrow the decline in footfall for the corresponding periods was 1.7% in the last year and 6.7% over the last seven years, based on Harrow's key centre's but excluding Harrow Town Centre where footfall fell in the last year by 7.5%. Falling household disposable income, competition from out-of-town centres and supermarkets, and internet shopping all contributing to this decline.

11.12 In 2018/19 all of the key town centres where a survey took places showed a decrease in footfall from the 1999/00 baseline, The most notable decline has been in Wealdstone (22.5%), South Harrow (15.9%) and Pinner (11.9%). Hatch End, Rayners Lane and Stanmore all had a small decrease below 8%. For Burnt Oak, Kenton and North Harrow the latest footfall figures from 2017/18 very greatly from an increase in footfall of 19.6% in Kenton to a decrease of 39.9% in Burnt Oak, in North Harrow there was a decrease of 12.5%.

11.13 Despite this long term decline in footfall Harrow's town centres in general still seem to be relatively healthy, with footfall showing a steady rather than dramatic decline in recent years (Figure 11.3) and vacancy levels (based on the number of vacant units) remaining relatively low over a long period (Figure 11.4).

Figure 11.3: Pedestrian Counts in District Centres, 1999/00 & 2009/10 to 2018/19



Source: Harrow Council, Regeneration, Planning & Enterprise

11.14 In 2019, based on the number of vacant units, none of Harrow's major and district centres had a vacancy rate of more than 10%. This compares to two centres in 2013, Rayners Lane 10.73% and Edgware 10.2%, the last time any centre was above 10%. The highest vacancy rates now are in Burnt Oak (6.67%), Wealdstone (5.88%), North Harrow (4.9%) and Rayners Lane (4.89%). Burnt Oak and Edgware town centres are only partly in Harrow, the rest being in Barnet. Kingsbury although a district centre has only one parade of shops within Harrow and is therefore not included in the chart. The

³ <https://www.retailgazette.co.uk/blog/2019/10/uk-high-street-footfall-falls-10-last-7-years/>

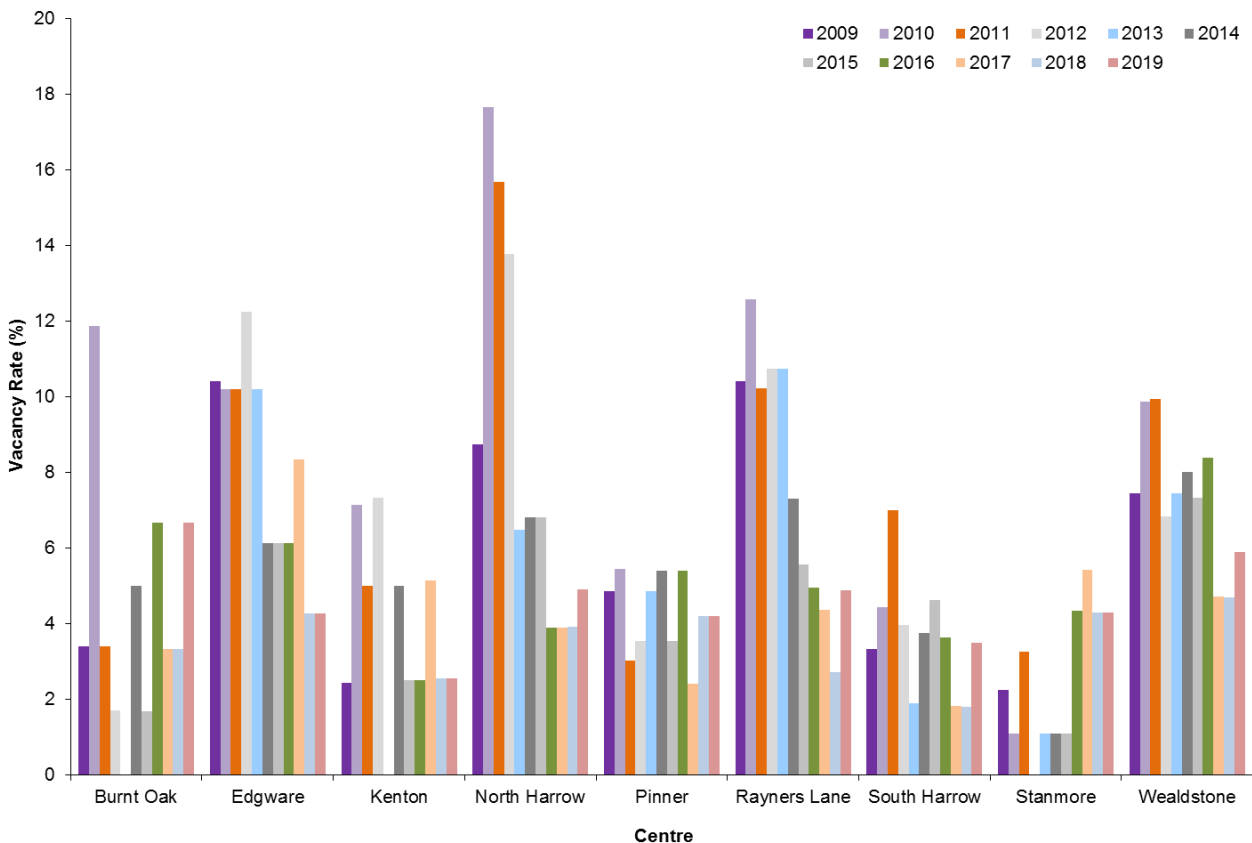
most significant decreases in vacancy rates since 2013 were in Edgware down to 4.26% and Rayners Lane down to 4.89%. In total five centres (Edgware, North Harrow, Pinner, Rayners Lane and Wealdstone) saw a decrease in vacancy levels, while the remainder had increases from 6.67% in Burnt Oak down to 1.58% in South Harrow. Since 2016 vacancy rates have remained fairly constant with Wealdstone showing the biggest decrease at 2.50% followed by Edgware (1.86%) and Pinner (1.2%), the largest increase was in North Harrow at only 1.02%

11.15 In Harrow Town Centre, based on the number of vacant units, the rate in 2019 (8.86%) is similar to the rate in 2013 (8.48%). However, there was a steady decline between 2013 and 2016 to a rate of 4.60%, this was then followed by a gradual increase back to the levels seen in 2013.

11.16 Reducing the number of vacant units in all of Harrow's town centres is a priority for the council. Initiatives within the Regeneration, Planning & Enterprise section aim to encourage businesses to move into vacant units to revitalise the shopping districts. In addition, work to improve the public spaces in the town centres and to promote the centres as retail destinations aims to increase footfall in the centres and the patronage of local businesses. This, in turn, will increase demand for retail units in those areas and have a positive effect on vacancy rates. Although with the increase in online shopping and the new and improved out-of-town shopping centres e.g. Westfield London and Watford this task may become more difficult.

11.17 Priorities for this type of intervention will be the areas with the highest vacancy rates and those which are of greatest importance to the economy in Harrow. Rayners Lane had a high vacancy rate, but the estate renewal project in the area provided an incentive to revitalise the centre and capitalise on the spending capacity of the local resident population. Work in the large centres of Harrow and Wealdstone will continue focus on public realm improvements and the development of these locations as cultural and entertainment centres as well as retail destinations.

Figure 11.4: Vacancy Rates in District Centres, 2009 to 2019



Source: Harrow Council, Regeneration, Planning & Enterprise

11.18 It was reported by the British Retail Consortium (BRC) that June 2019 UK retail sales were the worst on record with a 1.3% decrease, compared to a 2.3% increase in 2018. Covering the five weeks from 26 May to 29 June 2019, the report found that the decline brings the three month average down by 0.1% and the 12 month average up by 0.6%, the lowest since its records began in December 1995. June sales could not compete with the previous year's hot weather and football World Cup, leading to the worst June on record. Sales of TVs, garden furniture and BBQs were all down in 2019, with fewer impulse purchases being made. Rising real wages have failed to translate into higher spending as ongoing Brexit uncertainty led consumers to put off non-essential purchases. The continued risk of a No Deal Brexit harmed consumer confidence which forced retailers to spend hundreds of millions of pounds putting in place mitigations. On a like-for-like basis, June UK retail sales decreased by 1.6% compared to June 2018.⁴

11.19 In London average retail rents fell by 9% between 2008 and 2009 during the economic downturn. This had the greatest immediate impact on Ealing, Sutton and Harrow which had the largest percentage falls in rents among the Metropolitan centres. However, since the downturn average rents increased, growing at 4% cent per annum over the period 2009 to 2016. There were significant variations in retail rent growth trends at individual town centre level. Stratford, Marylebone High Street, the West End, Fulham and Baker Street witnessed the highest growth rates varying between 8% and 11%, whereas in contrast Ilford, Enfield and Harrow saw rents fall by around 3% to 5%. The majority of the centres with the greatest decrease in retail rents over the period 2005 to 2016 are located in outer London with Ilford, Harrow, Enfield and Barking seeing the largest reductions. Of the 13 Metropolitan centres, eight recorded reductions in rents over this period. Stratford, Ealing, Kingston, Croydon and Sutton have all seen positive rental growth since 2009, whereas Ilford, Harrow, Hounslow and Romford have witnessed decreases (2017 London Town Centre Health Check Analysis Report, January 2018).

Outer London Fund

11.20 The Outer London Fund (OLF) was launched by the Mayor of London in June 2011. It was a three-year initiative dedicated to strengthening the vibrancy and growth of London's high streets and town centres. Harrow received £472,000 from round one and £1.8 million from round two, which was matched by £1 million from Harrow Council, to help make Harrow Town Centre a more resilient and inviting place.

11.21 The capital element of the programme was to be used to create a town park and performance space, public realm improvements including parking and wayfinding signage. Lowlands Recreation Ground was allocated to provide a new outdoor performance space. The council secured funding for the project from the Outer London Fund during 2012/13 and the new space was completed by September 2015. The rejuvenated park offers children's play spaces, an orchard and the Arc House building provides space for performances and houses a café.

11.22 The revenue element of the programme was used to stage events and develop a Business Improvement District (BID) in the town centre. The BID term began on 1st April 2014 and was to end on 31st March 2019, a new five year term began 1st April 2019. The BID's aim was to focus on three main activities:

1. Town Centre Management - The BID will provide business leadership, influence matters that have been identified as important (such as street works, retail mix and the evening economy), reduce business costs and respond to alternative centres.
2. Promotion Programme - This programme aims to maximise commercial opportunities, increase shopper numbers, create street event and improve seasonal lighting to deliver a regional attraction.
3. Improving Pedestrian Experience - The BID aims to improve the town's streetscape to maintain the momentum created by the St Anns Road works, enhance enforcements by working with the police and council to better regulate illegal activities, and create a Crime Intelligence Partnership to reduce business crimes.

⁴ <https://www.retail-insight-network.com/news/june-2019-uk-retail-sales-brc-report/>

Figure 11.5: Harrow Business Improvement District

Source: Harrow BID Proposal

High Street Fund

11.23 In 2014/15 Harrow Council's was successful in its application for a grant from the Mayor of London's High Street Fund (HSF) and was awarded £224,200. The aim of the HSF was to bring back to life the local high street and to create a vibrant shopping destination by making the high street a place where people want to stay longer, to shop, eat, walk and relax. It was decided by the Council to use this additional funding to make improvements to both the pedestrianised areas and the street parking along Station Road, Harrow. These improvements, which have all been completed, included new paving, improved parking bays, bicycle stands, planters, new seating areas, co-ordinated painted shutters, and projecting lights.

London Regeneration Fund

11.24 As part of the successful bid by Harrow Council for money from the GLA's London Regeneration Fund £850,000 was allocated for a new public square in Wealdstone town centre to create a dwell space near Trinity Church, Headstone Drive and a host space for potential events and a servicing space for parking and access. The London Regeneration Fund is a £20m investment designed to breathe new life into London's high streets and places of work. The fund aims to make the most of the city's wealth of talent in creativity and technology, by supporting innovative local projects. Wealdstone Square (formerly Trinity Square) is due to be completed in 2020.

Offices

11.25 Harrow Town Centre has the highest concentration of offices in the borough and the Harrow Local Plan Core Strategy, adopted in February 2012, seeks to consolidate Harrow's office sector in the town centre. One of the objectives contained in the Local Plan is to renew Harrow Town Centre's office stock to meet local business needs. Therefore the conversion of redundant and long-standing vacant out of town centre offices to mixed-use employment and housing (especially where these are well located in respect of public transport) is also likely to be supported.

11.26 The Harrow Local Plan recognises that "There is a clear need to attract new development and investment in upgrading the existing office stock within Harrow Town Centre to support growth in business services, retain existing employers, and to capitalise on opportunities to promote and grow Harrow's small to medium enterprise sector. The strategy promoted is one of office consolidation, renewal and modest long-term growth. This is to be achieved through a combination of measures that are detailed in the Area Action Plan for the Harrow and Wealdstone Opportunity Area (formerly the Harrow and Wealdstone Intensification Area) , and include opportunities to:

- Exploit the refurbishment market to provide low cost accommodation for smaller enterprises;
- Identify an office quarter within the town centre;
- Promote redevelopment of suitable existing office sites to bring forward new office development;
- Release redundant and less suitable office sites to other employment generating uses; and
- Encourage public services and facilities, serving the local area and the wider borough to locate within Harrow Town Centre."

11.27 Table 11.2 shows office vacancy rates in the borough since March 2010. In 2017/18 and 2018/19 the vacancy rate was below 10%, as was the case in 2014/15 and 2016/17. The last five years have shown a sharp drop in the amount of vacant office floorspace compared to previous years. This is mainly down to a reduced amount of office floorspace stock (both occupied and available to buy or let), partly reflecting an increase in demand for office accommodation in the borough, but more so the recent Prior Approval conversions to residential use resulting in less supply. The amount of occupied office space and the amount of vacant office space have fallen significantly from 334,300 m² to 228,200 m² and 46,200 m² to 17,000 m² respectively since 2010. This would confirm that rather than existing office space being occupied by employment uses, the office space is in fact being lost to residential instead. It is anticipated that this trend of loss of office space will continue.

Table 11.2: Office Floorspace and Vacancy Rates in Harrow, 2010 to 2019

Year	Occupied Office Space (m ²)	Vacant Office Space (m ²)	Total Office Space (m ²)	Vacant (%)
2010	288,150	46,200	334,300	13.8
2011	278,100	52,250	330,350	15.8
2012	275,700	48,450	324,150	15.0
2013	265,950	57,350	323,300	17.7
2014	272,700	47,150	319,850	14.7
2015	285,100	29,100	314,200	9.3
2016	258,600	31,300	289,900	10.8
2017	239,650	24,600	264,250	9.3
2018	231,800	20,500	252,300	8.1
2019	211,200	17,000	228,200	7.5

Source: Harrow Council, Regeneration, Planning & Enterprise

11.28 Harrow Town Centre plays an important role in the overall supply of office space in the borough, accounting for 37.1% of the total stock in 2019. Table 11.3 shows office vacancy rates in Harrow Town Centre since March 2010. The vacancy rates of 7% in March 2018 and 8.3% in March 2019 are significantly lower than in previous years and are below the target vacancy rate of 10% sought over the

life of the Local Plan. Although these rates have decreased significantly from the peak level of 30.1% in March 2011 this is mainly as a result of changes to PD rights which allow changes of use from office to residential. It is anticipated that the level of vacancies will continue to decrease over the next few years as developers and landowners continue to look to take advantage of this relaxation of planning policy and replace vacant office space and buildings with residential units.

Table 11.3: Office Floorspace and Vacancy Rates in Harrow Town Centre, 2010 to 2019

Year	Occupied Office Space (m ²)	Vacant Office Space (m ²)	Total Office Space (m ²)	Vacant (%)
2010	97,600	22,900	120,500	19.0
2011	83,700	36,000	119,750	30.1
2012	93,250	25,600	118,850	21.6
2013	93,650	24,600	118,200	20.8
2014	96,000	19,900	115,900	17.2
2015	98,650	16,400	115,000	14.3
2016	91,600	15,550	107,150	14.5
2017	85,400	11,200	96,600	11.6
2018	86,000	6,450	92,500	7.0
2019	77,600	7,050	84,650	8.3

Source: Harrow Council, Regeneration, Planning & Enterprise

11.29 These vacancy figures are based on information collected from commercial agents on premises available, either to let or for sale. In the past they were regarded as the best available guide to the levels of office vacancies, both in the borough and the town centre. However, the vacancy figures as shown in Table 11.2 & Table 11.3 may no longer provide an accurate estimate of the amount of vacant office stock in the borough. This is partly as a consequence of a number of vacant ageing office buildings being earmarked for redevelopment or for change of use to residential through the Prior Approvals legislation introduced in May 2013, as opposed to being marketed for re-letting - such schemes may therefore be excluded from the commercial agents letting details and not appear as vacant office space in the table above.

11.30 Figure 11.6 shows a steady decline in the total amount of office floorspace in the borough, mainly as a result of a number of large office buildings being converted or redeveloped to provide non-office uses and no significant new office development having taken place for a number of years.

11.31 The largest office losses were as a result of completed Prior Approval schemes for change of use to residential. These losses include: Imperial House, 175-205, Imperial Drive, Rayners Lane a loss of 9,587 m², Bovis House, 142 Northolt Road, South Harrow (7,580 m²), First National House, 53 - 61 College Road, Harrow (4,961 m²), Talbot House, 204-226 Imperial Drive, Rayners Lane (4,847 m²), Carnegie House, Peterborough Road, Harrow (2,768 m²), Evans House, 107 Marsh Road, Pinner (2,384 m²), Research Services House Elmgrove Road Harrow (2,263 m²) and Baldwin House, 2 Gayton Road, Harrow (2,234 m²).

11.32 The schemes at First National House, Carnegie House and Baldwin House along with completed schemes at 88 - 98 College Road (1,830 m²), Kirkfield House, 118 Station Road, (1,758 m²) and 116 College Road, (1,260 m²) are the only completed schemes in Harrow Town Centre which have resulted in a loss in excess of 1,000 m² of office space

11.33 There are also a number of non Prior Approval completed schemes in the borough which have resulted in a significant loss of office space.

11.34 At Equitable House and Lyon House, Lyon Road, permission was granted in October 2012 for the demolition of the existing office buildings (12,200 m²) and the erection of seven new buildings of various heights, mixed use development to provide 238 private and 49 affordable residential units and 3,050 m² of commercial floorspace. The development was completed in May 2019.

11.35 The redevelopment of the former Post Office, 51 College Road (known as Harrow Square) was completed in March 2019 and resulted in a loss of 6,299 m² of office space. This development which was granted permission in 2016 provides a mix of retail, financial/professional services, restaurants/cafes, pubs/bars, takeaways, business, non-residential institutions and 318 residential units in buildings of up to 20 storeys. This is also the location of the new central library which, along with a new library garden, is expected to open in April 2020.

11.36 In November 2011 permission was granted for the demolition of two existing three-storey office buildings and the erection of new hotel with café/bar at Temple House, 221-225 Station Road, Harrow. This development was completed in December 2017 and resulted in a loss of 1,284 m² of office floorspace.

11.37 Planning permission was allowed on an appeal in November 2007 for a scheme to redevelop the former Government Offices, Honeypot Lane, Stanmore (now known as Stanmore Place) This scheme, which involved the demolition of 15,849 m² of office space, provided 798 residential units and a mix of other uses including a business incubator centre was completed in March 2017.

11.38 The redevelopment of Bradstowe House, Headstone Road, Harrow was finally completed in November 2015 after a long period of time where construction work had come to a stop. This development which was granted permission in 2005 provides a mix of retail, leisure and 177 residential units and resulted in a loss of 2,035 m² of office space,

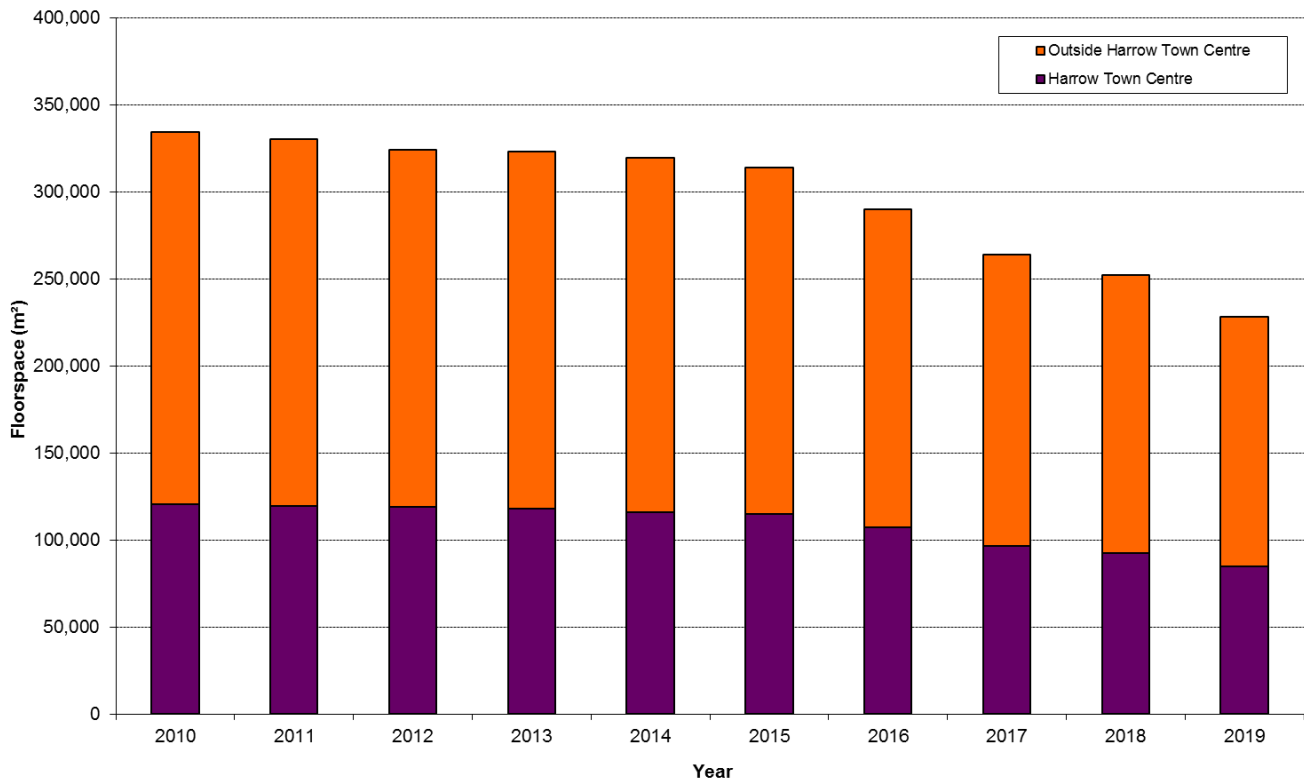
11.39 The amount of office floorspace in Harrow Town Centre had remained fairly constant up to 2015, but in 2016 there was a significant decrease of 7,850 m² (6.8%) followed by a decrease of 10,550 (9.8%) in 2017 mainly as a result of the completion of a number of Prior Approval schemes. Although, the completed scheme at Equitable House and Lyon House, Lyon Road will result in a net loss in office space of 10,450 m², the new office floorspace provided will better meet the demands of prospective businesses wishing to relocate to Harrow.

11.40 There continues to be a loss in the amount of office floorspace in Harrow Town Centre, totalling around 36,000 m² since 2010. This, loss in office floorspace, is likely to continue due the change of use of existing office space to residential, although the rate of loss will slow down as there will be less office space available. As at March 2019, permissions resulting in a loss of 48,139 m² of office space have been granted for a change to residential in Harrow Town Centre. The lack of new office development in Harrow Town Centre will also contribute to this steady decline.

11.41 Rents for Grade A office space in Harrow, those that are well located, have good access and are professionally managed, have reached up to £30 per sq ft; while secondary office rents within the borough are significantly lower at £7 to £9 per sq ft (Economic Development Needs Assessment, 2017).

11.42 Between 2010 and 2015 office rents in the borough increased by 11%, compared to Ealing (25%), Hammersmith & Fulham (20%), Barnet (9%), Brent (8%) Hounslow (7%), Hillingdon (5%) and London (15%) (London Industrial Land Supply and Economy Study, 2015).

11.43 In 2016, rents for secondary office space ranged from around 50% of rents for prime property space (e.g. in Harrow and Wimbledon) up to around 80% (in Croydon, Richmond and Wembley). Between 2013 and 2016 secondary office rents as a percentage of prime office rents increased in 11 of the 15 centres for which data was available, most notably in Richmond and Uxbridge. There were corresponding decreases in the percentages in Hammersmith, Hounslow, Wimbledon and Harrow (2017 London Town Centre Health Check Analysis Report).

Figure 11.6: Total Office Floorspace, 2010 to 2019

Source: Harrow Council, Regeneration, Planning & Enterprise

Industrial Estates

11.44 Most of Harrow's industrial stock is small-scale and situated on industrial estates, which are dispersed across the borough (Map 11.1). The vast bulk of supply is of small units around 1,000 m² in size with little stock being above this threshold. Approximately one-third of the borough's industrial stock is relatively new, with around two-thirds dating from before 1970. Vacancy levels are reasonably low, indicating generally buoyant demand for small industrial premises. Compared to the other West London boroughs, Harrow is not a major industrial or warehousing location. Most demand is locally generated and is for small units, with larger manufacturers tending to locate in more established and accessible locations, such as Park Royal.

11.45 The council collects information on the levels of occupancy and type of businesses in the borough's industrial estates.⁵ The survey undertaken in September 2019 showed an occupancy rate of 93.1%, based on the number of units. This shows that since March 2014, the occupancy rate in Harrow has increased by 4.3%.

11.46 In Harrow rents for prime industrial/warehousing premises range from £10 to £20 per sq ft (£107.60 to £215.20 per m²) and for secondary premises from £6 to £15 per sq ft (£64.60 to £161.40 per m²). Prime and secondary premises are defined by their age, location and quality of the facilities available.

11.47 Harrow's average office rents increased from £9 per sq ft in 2012 to £14 per sq ft in 2018 for prime industrial and warehousing premises and from £6.50 per sq ft to £10 per sq ft for secondary premises. In West London these figures for were £10.30 to £15.10 per sq ft and for prime units and £7.20 to £11 per sq ft for secondary units.

⁵ A full list of the industrial estates and occupants can be found on the Harrow Council website at: <https://www.harrow.gov.uk/business/available-business-premises?documentId=12623&categoryId=210274>

11.48 When comparing Harrow to adjacent London boroughs it can be seen that that the average rental levels vary from £13 per sq ft in Barnet to £20 in Brent for prime industrial and warehousing premises. When comparing average secondary rental values they range from £9.50 per sq ft in Barnet to £15 per sq ft in Brent. (Table 11.4)

Table 11.4: Prime and Secondary Industrial/warehousing Rents per Borough, 2018

Borough	Prime Rents (per sq ft)	Prime rents (per m ²)	Secondary rents (per sq ft)	Secondary rents (per m ²)
Harrow	£14	£150	£10	£108
Barnet	£13	£140	£9.50	£102
Brent	£20	£215	£15	£161
Ealing	£17.50	£188	£12.50	£135

Source: Levy Real Estate

11.49 Table 11.5 shows the amount of industrial/warehousing floorspace lost to other uses since 2014/15 based on completions. It can be seen that there has been very little new industrial/warehousing floorspace provided over the past five years, with only a small amount completed in 2018/19 as a result of the refurbishment of the former office building at ColArt, Whitefriars Drive, Harrow. Known as Whitefriars Studios & Gallery this location provides flexible workspace for creative industries. The highest yearly figure during this period was a loss of 14,322 m² in 2018/19, this was primarily as a result of the redevelopment of ColArt, Whitefriars Drive, Harrow. As these figures are based on completions it is worth noting that in future there will be a large increase in the loss of industrial floorspace to reflect the approved Kodak development.

Table 11.5: Industrial/warehousing Floorspace Losses 2014/15 to 2018/19

Year	B1(c) Light Industry (m ²)		B2 General Industry (m ²)		B8 Storage or Distribution (m ²)	
2014/15	0	0	0	-418	0	0
2015/16	0	-521	0	0	0	-201
2016/17	0	0	0	-120	0	-63
2017/18	0	-39	0	0	0	-0
2018/19	974	-467	0	-14,322	136	-114

Source: Harrow Council, Regeneration, Planning & Enterprise