

An Economic Vision for the
Heathrow Strategic Sub-Region



Heathrow 360: The Gateway to the UK

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01 / AN ECONOMIC VISION FOR THE HEATHROW STRATEGIC SUB-REGION

1.1 Why the Heathrow Area Matters

A fit for purpose, well run Heathrow, a viable aviation sector and a successful sub-region in and to the west of London are crucial for the success of the UK as a whole and for Global Britain.

Strengthening the ways in which Heathrow and its surrounding sub-region inter-relates with other parts of the UK and a renewed emphasis on the global gateway nature of the area must be integral to levelling up and spreading success across the country.

However, our economic vision is about Heathrow 360 – the UK’s Premier Gateway. The whole economic area, not just the airport. Spanning the London boundary and emphasising the unique combination of local, regional, national and international connections that come together in the area around an airport of global significance on the outskirts of a world city. It also recognises that there are marked differences across the sub-region and that some parts need levelling up so that their people enjoy the same quality of life and economic opportunities as their neighbours and do not become left-behind.

1.2 The Role of HSPG

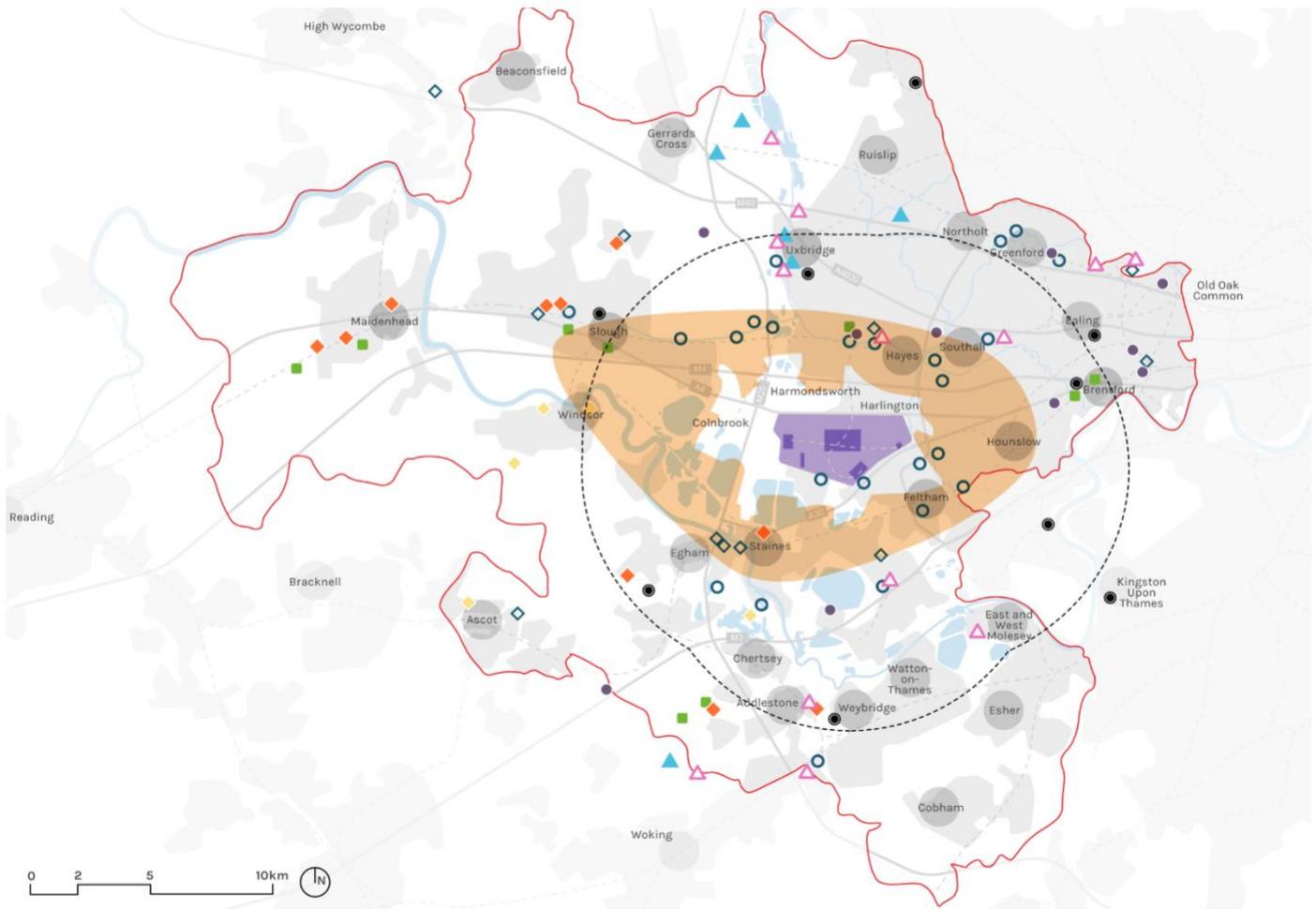
HSPG is the only organisation focused on the whole of the Heathrow economic area within and beyond Greater London. HSPG members (drawing on their networks and relationships with a wide range of other organisations) are best placed to identify and support the priorities for economic viability and success and to collaborate in three main ways:

- **Lobbying** and making the case to Government and other decision makers for strategic interventions and presenting, on behalf of the sub-region, issues of common interest which need resolution
- **Steering** the development of specific propositions, flexibilities and interventions that are priorities to strengthen the area
- **Undertaking** work for which HSPG is best placed including developing a joint framework for spatial planning.

The membership and the wider group of observers and other organisations with which HSPG works are set out in **section 10**.

Many of these organisations, including Heathrow Airport Limited (HAL), have been involved in the development of the lines of enquiry set out in this document, and will be involved in their further examination and development.

Employment Clusters in the Heathrow Area



Areas of influence

- Heathrow Interaction Area
- Employment Land Forecasting Study 5 mile 'Core Assessment Area' (Lichfields)
- JSPF Core Area

Employment Sector*

- Higher Education Institution
- Transport and Logistic
- Aviation
- Manufacturing
- Pharmaceutical
- Tourism
- Digital
- Professional Service
- Creative Industry

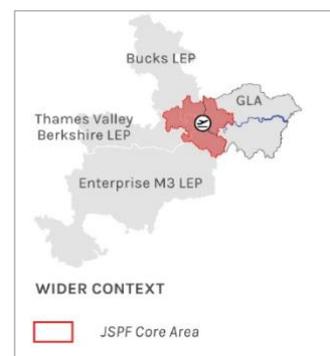
Heathrow Airport

- Heathrow Operational Boundary
- Heathrow Terminal

Background Information

- Railway
- Strategic Road Network / Major A Road
- Waterbody / Watercourse
- Town Centre

* Employment-related data has been derived from a review of HSPG Member LEP and Local Planning Authority documents.



1.3 The Need for a Fresh Look

In February 2020 HSPG agreed an Economic Development Vision and Action Plan (EDVAP) focused on the longer-term opportunities and challenges presented by the proposed 3-runway expansion scheme at Heathrow airport.

A year on circumstances have changed dramatically. The airport, local economies, neighbourhoods, and communities are all under pressure. **Now the focus is on medium term resilience and renewal based on what is already in place and the sustainable operation of a 2-runway airport.**

Now it is even more important to make the case for the sub-region. **Accordingly, HSPG members have undertaken a collaborative examination of the EDVAP, to recast it in a way that makes sense for the next 1 to 5 years.** As a complement to local recovery plans and 'emergency' measures, but with a focus on shaping the next renewal stage and setting an agenda for action by HSPG members.

This document sets out a **direction of travel** and the priorities emerging from that re-examination and introduces a work programme to give them effect through collaboration that can be fostered by HSPG.

It is not at this stage a formal strategy, although our further work may lead to one.

It does represent our commitment to working together to promote the interests of the Heathrow area.

1.4 Heathrow 360

Many of the original EDVAP objectives remain relevant but changed circumstances require greater reflection of some wider issues notably:

- **Net Zero Carbon** – the response to the overriding transformational challenge
- **Inclusive Growth** – the impact of the pandemic has been differential across the population and places within the HSPG area with the risk that these become deeper, structural impacts and inequalities
- The **Gateway Function** – strengthening the ways in which Heathrow and its surrounding sub-region inter-relates with the rest of the UK to act as an essential gateway to growth in global trade
- **Innovation Capacity** – how clusters and networks across the area can develop into a wider innovation ecosystem.

On this basis, a successful future should be focused around **four ambitions** which demonstrate the role that the HSPG area plays for the UK and which contribute to making life better for people living and working in the sub-region by helping ensure an inclusive, green sub-region well-linked to the rest of the country and ensuring differences in life chances and outcomes are narrowed. These ambitions are to be a:

- **Business Hub** and network built around innovation zones and business assets and the concentration of major international HQ buildings reflecting the wider benefits and impact of agglomeration

- **Transport Hub** with a major hub airport and a hub on the ground with connections to other economically significant parts of the UK and abroad as well as delivering enhanced connectivity across the sub-region and improved accessibility to employment and economic opportunities for residents
- **Gateway** to the UK for air cargo and a focus for cleaner, smarter urban logistics across the sub-region
- **Green Sub-Region** to support decarbonisation of aviation and the airport and the climate adaptation and resilience measures being promoted by authorities in local climate change plans.

1.5 Work Programme

The initial work has resulted in some lines of enquiry – set out in the following sections - for a programme of work which could address some of the short and medium-term interventions to support these ambitions. **HSPG members will test and refine these further over the coming months into a more developed set of proposals which may at that stage be set out as a more formal strategy.**

Some of the main elements of the work programme include:

Supporting and making the case for:

- The development of the **London West Innovation District** (and other innovation infrastructure and initiatives)
- A sub-regionally connected **transport ‘hub on the ground’** at Heathrow through strategic transport improvements, including the development and delivery of **Western Rail Access** and **Southern Access to Heathrow, West London Orbital Line** and enhanced local access
- A sub-regional statement on **workforce, inclusion, and skills** to argue for more flexibility, decentralisation and co-design on relevant initiatives.
- Raising the profile and the responses required to the speed and scale of economic dislocation in **aviation communities** including places such as Hounslow and Slough. HSPG will collaborate with initiatives being developed in West London, by the Catalyst South group of LEPs and by others which will demonstrate the impact on these towns and the responses required e.g. in terms of support for skills, new jobs, land use and the opportunities from the gateway function of airports.

Exploring specific propositions on:

- Linking **decarbonisation programmes** being pursued at local authority level across the HSPG area with funding via **aviation carbon off-setting**.
- The development of a proposition for a **collaborative testbed** at the airport for innovators, particularly SMEs, in the surrounding area.
- Improvements to local **goods movements** in the HSPG area in ways that reduce negative impacts on local communities and promote the changes needed in relation to energy infrastructure.

Undertaking specific work on:

- A **strategic issue review of the JSPF** on the basis of the existing 2 runway airport capacity – to assess the implications for the delivery plan and necessary infrastructure and Identify strategic issues on which alignment across boundaries will be particularly important. This work will specifically pick up change in **town centres** and possible policy responses.

1.6 Scenarios and Further Analysis

At this point there is inevitable uncertainty about the trajectory for both passenger and freight activity at the airport **and** whether there will be a longer-term shift in the broader economic paradigm for the area, particularly in terms of the balance of activity between central London, to the west of London and wider southeast.

Accordingly, some high-level **scenarios** have been developed (**section 9**) to illustrate the consequences and the opportunities for aspects of the work programme in terms of the speed and nature of change at the airport and more generally. As further evidence emerges, the balance within the work programme may need to adjust.

There are also some further pieces of detailed **analysis** that may be undertaken notably:

- A more detailed technical economic assessment of the importance of the HSPG area for the UK economy
- A more detailed assessment of the differential and potential long-term impact of the pandemic across the area, spatially and demographically.

1.7 Taking the Vision and Proposals Forward

Work programme

HSPG members, generally through the new sub-groups that are being established, will follow up the lines of enquiry set out in sections 2-8 in this document with a stock take on progress at the next HSPG mini-summit in the autumn.

Raising the profile of the sub-region

HSPG will develop the case for the sub-region to Government and other decision makers to enhance its visibility and explain its importance for the UK as a whole.

Collaboration

HSPG will start to test the scope for greater collaboration with the Mayor and the GLA; will work with wider groupings such as Catalyst South in developing common lobbying stances, particularly on the economic impact of the pandemic; and with Heathrow Airport Limited on opportunities for change at the airport that will also benefit the wider area (several of which are identified in this document).



02 / DECARBONISATION AND NET ZERO PLUS

2.1 Ambition

To promote transformational change in support of Net Zero Carbon objectives and towards Zero Carbon emissions and Net Zero Plus approaches. This will reflect the commitments and plans that have been made by organisations across the HSPG area but should address carbon reduction and climate change adaptation, resilience and mitigation through more integrated strategies at the airport and across the sub-region. These changes will be crucial to securing the future of the airport – and its role in the economy of the sub-region - given the tougher action that will be needed following COP26.

2.2 Focus for Economic Vision

- Supporting Aviation Jet Zero and progressively decarbonising the end-to-end aviation journey through innovation being supported in the HSPG area.
- Supporting Heathrow 2.0 vision for decarbonising airport operations.
- Decarbonisation of freight sector - urban distribution hubs, electric vehicles for final mile and first mile. Enhanced role of an urban distribution hub at LHR.

2.3 System Improvements

- (a) Innovation theme will support relevant innovation initiatives including the London West Innovation District contributing to making Jet Zero a reality and more sustainable airport operations – for passengers, cargo and logistics.
- (b) A collaborative testbed for innovators, particularly SMEs, in the surrounding area which allied to other interventions to bolster research capacity could promote significant developments such as:
 - Opportunities to be an exemplar in the development and operation of **smart, sustainable, scalable supply chains**, particularly focused on airport operations such as food and drink (which may be part of the innovation strand)
 - Investigation of the opportunity and implications for a shift to more **hydrogen** and **electrical power** and the infrastructure these might require (including locally generated and stored renewable energy)
- (c) Opportunities to integrate the surrounding area with HAL aspirations for a more sustainable airport particularly on heat and power and the built environment particularly collaboration on energy infrastructure:
 - Installation of **electric power storage and charging point networks** to support the distribution vans that serve the airport supply chain and operate in the

surrounding area particularly the industrial estates (which would have wider benefits for the area, including improving air quality).

- **Clean Energy generation** – identifying sites for solar power farms which could supply the airport. Local authorities would need to identify the sites and adopt suitable planning policies.

(d) Collaboration on decarbonisation programmes being pursued at local authority level across the HSPG area, linking **aviation carbon off-setting** (such as the communities and sustainability funds) and local investment which could become a sub-regional approach towards decarbonisation. In addition to some of the energy measures these could include:

- **Single ‘whole house’ retrofit survey** combining initial assessment of noise mitigation and energy performance into a single proposal for the homeowner. The survey would highlight which energy efficiency measures the householder can install to reduce their utility bills and carbon footprint. The noise insulation would be funded by Heathrow and the homeowner would then contact the council to be directed towards available grants for the installation of the energy efficiency measures such as Green Homes Grant or funds via the Greater SE Energy Hub. The same logic could be applied to schools and other community buildings.
- Promoting public transport and active travel through improved connectivity e.g., the **Green Loop** to promote walking and cycling for Heathrow colleagues and local workers and residents.

03 / INNOVATION

3.1 Ambition

A strengthened innovation ecosystem reflecting the further development of the area as a business hub and network built around innovation zones and business assets (given the concentration of major HQ buildings, including those of many foreign owned businesses) reflecting the impact of agglomeration, supporting wider collaboration, and providing opportunities for businesses to grow and generate additional employment in the area.

3.2 Focus for Economic Vision:

1. Expressing the range of activity across the area in terms of innovation clusters and networks of expertise. These activities could be organised around:
 - (a) Aviation (Jet Zero)
 - (b) The airport (in terms of its airspace and ground operations, supply chains and logistics)
 - (c) Supporting collaborations between businesses in the wider area.
2. Extending the innovation apparatus already operating (e.g., the Brunel Incubator for digital prototyping and Co-Innovate supporting SME innovation).
3. Developing some propositions for interventions which can be funded from existing national funding pots.
4. Identifying the physical infrastructure (digital, workspaces etc) required to deliver this vision and opportunities for funding and delivery.

3.3 System Improvements

1. Aggregating and leveraging activity to support aviation innovation through the **London West Innovation District**.
2. Working with HAL on the development of a collaborative testbed for innovators, particularly SMEs, in the surrounding area. To support this each of the Growth Hubs within the HSPG area could designate a Heathrow lead to provide a collective centre of gravity and to work on developing an innovation support offer. The Innovation District could also help with the flow of SMEs making use of the testbed.
3. Working with HAL on other initiatives such as a Research Centre located at Heathrow to focus on supply chain improvements for airport related services and to be a catalyst for wider changes in airport sustainability.
4. Examining the **workforce and skills implications of digitisation of business processes** in a major sector or activity – potentially via the Research Centre work on

logistics and supply chains – and identifying the consequences for FE and other providers.

5. A range of measures to **support more collaboration between businesses and between sectors** building on work already underway by the LEPs:
 - Using the peer-to-peer scheme through the Growth Hubs which provide business support and are run by the LEPs to bring together businesses in sectors that are important for HSPG e.g., aviation or aerospace;
 - Building on current plans for co-working spaces within the area, potentially facilitating some further development and promotion of such sites
 - Cross sector events mirroring the activity through the Space Hub initiative which was led by EM3 which brought firms in the space and aerospace sector into contact with firms from other sectors where there was scope for some cross fertilisation and technology transfer.
6. Supporting enhanced digital connectivity and digital fibre infrastructure.

04 / SURFACE CONNECTIVITY AND ACCESS

4.1 Ambition

Developing a sub-regionally connected transport 'hub on the ground' at Heathrow which supports:

- the UK Gateway for passengers and freight.
- connectivity across the sub-region particularly to local growth and regeneration centres.
- Demand Responsive Travel and Active Travel Networks to improve accessibility for local communities to economic opportunities at the airport and across the sub-region.

Managing the impact on the local area arising from passengers, employees and freight travelling to and from Heathrow in particular:

- Binding mode share targets for passengers (in line with Airports National Policy Statement) for employees and freight related to airport investment plans
- Protecting local businesses from unintended impacts of measures targeted at airport users e.g., Forecourt Access Charges, Boundary Charges, extended Ultra Low Emission Zones
- Taking steps to manage travel demand efficiently and promote more sustainable and innovative travel solutions in order to reduce emissions, improve air quality, reduce congestion and improve access.

4.2 Focus and Related Improvements

The major interventions required to move towards these ambitions have been established for some time.

HSPG would continue to lobby for:

1. Binding **modal shift targets** associated with renewal and airport investment
2. **An airport freight and logistics plan** to take advantage of the unique ecosystem of freight and logistic operations around the airport to support innovation and smarter more sustainable urban logistics and improve the interface with wider land use planning.
3. Early delivery of **Western Rail Access to Heathrow** ensuring improved connectivity from the West to support economic activity/connectivity (West Country, South and Midlands via Reading interchange and the Thames Valley).
4. **Piccadilly Line upgrades** of rolling stock and signalling (enabling further increased frequency and capacity).

HSPG would also help with the development of propositions for:

5. A **Bus Improvement Plan** for the HSPG area to support the renewal of bus services in line with the requirements of the Government's new National Bus Strategy and the development of HALs Sustainable Travel Zone Concept. This will mean close collaborative working between Local Transport Authorities and HAL/Heathrow Area Transport Forum on the specification of Enhanced Partnerships for routes serving the airport, and the associated complementary bus priority infrastructure necessary to drive a step change in bus modal share.
6. The development and delivery of **Southern Access to Heathrow** – rail scheme, access charges/pricing, potential for mode shift of freight, integrated ticketing networks and complementary (and potentially enabling) sustainable development. Enhanced access to the south should also consider the creation of a **Southern Access Tunnel** to the CTA in order to enhance permeability for sustainable modes to and through the airport campus.
7. Delivery of other rail services in the sub-region that maximise the benefits of the Elizabeth Line and help further enhance connectivity to the airport whilst also supporting both local regeneration prospects and an increase mode share for sustainable modes. Such schemes would include the proposed **West London Orbital Line** and the Brentford to Southall connection.
8. An **Active Travel Network** providing a network of green corridors into and through the airport campus for pedestrians and cyclists (to address severance) and a hub serving surrounding employment locations, open spaces, residential communities, and the CTA to enhance inclusion and sustainable access to employment opportunities.
9. Collaborative working with HAL to implement **behaviour change campaigns** amongst airport colleagues and the wider community to maximise use of new public transport services and active travel infrastructure, targeted wherever possible using data held by the airport.
10. Explore opportunities to **better manage travel demand** to the airport, particularly influencing the use of taxis and private hire in the most efficient way possible, alongside innovations in supporting car sharing amongst airport colleagues and bespoke collective transport solutions for areas where scheduled services lack viability.
11. The further development of the **Joint Strategic Planning Framework** to identifying employment and housing drivers for investment in connectivity improvements for the sub-region.
12. Ensuring sufficient **funding** is available to support these objectives, including through appropriate leverage of new airport tariffs such as Forecourt Access Charge and other potential sources such as the GLA proposed Boundary Charge.

05 / TOWN CENTRES

The effect of the pandemic on town centres and town centre uses will continue to unfold demand led services such as retailing and hospitality begin to open up and office use increases and the tools being made available to manage a response emerge including some deregulation, other changes to the town planning system.

Town Centres are by their nature local and most of the relevant tools are held by local authorities. Emergency responses are in place to help manage safe access, re-opening and temporary uses.

Any HSPG focus will be on the medium term and more structural shifts in the role and nature of town centres in particular through:

1. The high-level review of the JSPF to be led by the Spatial Planning Group will include a focus on town centres particularly on town centre uses, future activity and associated policy responses. This may then offer a framework for developing any joint strategy and common approaches to addressing opportunities and challenges which could then be translated into a refreshed version of the EDVAP.
2. A more detailed assessment of the differential impact of the pandemic across the area, spatially and demographically.
3. Contributing to collaborative work with others on airport communities and airport towns examining the impacts of the downturn in activity at airports across the South East and considering some of the potential responses including in terms of land use and planning.

06 / WORKFORCE, SKILLS AND INCLUSION

Three major inter-related issues for the HSPG area are:

Workforce:

The impact of the pandemic on employment across sectors

Inclusion: Emerging structural issues and intense differential impacts across the area. The risks of such inequalities can be seen in the hit being taken among young people (increases in NEETs); the middle skilled, middle aged and the self-employed (including in the gig economy) as well as the demand led sectors in retail and hospitality. Very high or relatively high rates of unemployment (and furlough) are now being seen in parts of the area. This risk becoming worse as Government support programmes unwind and also becoming long term problems.

Skills: How to support participation and the development of the workforce of the future.

6.1 HSPG Sub-Regional Statement on Workforce, Inclusion and Skills

Much of the relevant work to address these three issues is rightly happening at the level of employers, councils and LEPs. There may well be scope for more collaboration between councils to co-ordinate some activity and increase its effectiveness (perhaps by leveraging their demand when working with employers to offer opportunities or placements). However, HSPG may be best placed to make a **sub-regional statement** to set out a collective view on some system issues which would sit alongside Local Skills Plans and Recovery Plans. This statement might focus specifically on:

- **Promoting more flexibility, decentralisation and devolution** in decision making and in the use of funding in order to better respond to some of the most fundamental needs across the area and limit the formation of further structural inequalities in the workforce
- **The current funding models for FE and HE** and gaps in existing funding for skills and training and how changes could further and more rapidly support employability of learners, addressing skills gaps in the economy and/or the specific skills demands of employers.
- **Reiterating the way in which the operation of the apprenticeship levy restricts training options** for both skills providers and employers and mitigates against the most effective use of the available funds and utilising all potentially available placements
- **Emphasising the need (including in respect of Local Skills Plans) for more co-design of responses** which include a major role for employers, especially where investment might be shared, but also involves councils, colleges, HE and LEPs. These should involve a forward-looking focus on skills demands in emerging sectors

and local /regional growth plans and could lead to more co-design of specific courses and training e.g., to address supply chain improvements at the airport.

6.2 Specific Responses

In terms of more specific responses there are three major priorities:

1. **Minimising joblessness** specifically to deal with the consequences of reduced employment at the airport and more generally given the hit being taken amongst young people, middle skilled and the self-employed (including in the gig economy) as well as the demand led sectors in retail and hospitality; and the increasing effects of graduate underemployment on both graduates and those who might otherwise have filled the roles they are occupying.
 - Retraining and re-skilling in using and developing transferrable skills e.g., the Aviation to Screen Skills programme with Pinewood, EM3 and TVB LEPs and DWP;
 - Direct redeployment models using transferable skills

2. **Supporting participation** in the workforce through basic skills particularly digital literacy and English language skills, particularly where these are essential for remote on-line work or for new multi-faceted roles (e.g., airport security staff and cleaners increasingly providing the customer interface at the airport):
 - Much more nimble and flexible approaches to courses and coursework allowing workers to develop these skills including on-line learning especially for adults.
 - More flexibility around travel to learn.
 - On-line versions of work experience programmes
 - Scope to develop the approach to apprenticeships, particularly shared apprenticeships e.g. (e.g., HAL construction skills apprentices being deployed to several other organisations).
 - Changes to the operation of the **apprenticeship levy** (or its replacement by a system which would be more effective). For example, the requirement to use the levy solely for the apprenticeship itself (rather than for salary) is severely limiting and means a much greater emphasis on upskilling rather than creating new opportunities. Flexibility to use the collective 'pool' of unspent levy funds not just to support local non-levy paying businesses but to allow some support with salaries and other costs would be very attractive to employers and a major step forward, particularly if there is an emphasis on apprenticeships in key skills shortage areas. The cliff edge of funds expiring at the end of each month because of the complexity in current forecasting and budgeting also means funds are being lost which could be used to support other businesses or individuals. The current London Collaboration Foundation campaign in London is a good example of how better use could be made of unspent levy contributions to help SMEs recover from the pandemic.

- Developing the entrepreneurial skills and knowledge for the self-employed and contractors to participate successfully and flexibly (e.g., replicate the jointly funded TVB/HAL enterprise post at the Slough Future Skills Hub).
3. **Developing the workforce of the future**, particularly given the significance of digitalisation of business processes and technological change and the increasing need for adaptability in roles that are multi-faceted.
- More developed workforce planning by employers is essential to give the signals to the education and training systems about what is needed.
 - Employers can in some cases develop their own training and development functions which better meet their needs and help to develop the supply chain
 - There are opportunities for employers and education and training providers to work together to create a curriculum and training opportunities to meet industry needs, particularly where there is increasing demand. An example of such an approach is the ambition which has been highlighted by EM3 LEP to establish a National Centre for Training for Sustainable Construction which would be a focus for developing the range of skills required for a decarbonised construction industry.

07 / FREIGHT AND LOGISTICS

7.1 Ambition

Reinforce the importance of the hub status of Heathrow and the opportunities for the UK from a modern air cargo system, particularly focused on high value, low weight, low bulk goods, with effective and sustainable connectivity to other parts of the UK and more efficient cargo handling at the airport.

More effective movement of goods in the area surrounding Heathrow through freight consolidation and the use of cleaner and smarter vehicles for the first and last parts of journeys, minimising environmental and congestion impacts on local neighbourhoods, communities and businesses and ensuring the most efficient use of land. Much of the investment needed will come from the private sector. It can be encouraged through a more consistent and compelling view from across the sub-region on the improvements needed.

Taking the opportunity to be an exemplar in the development and operation of smart, sustainable, scalable supply chains, particularly focused on airport operations.

7.2 Focus for Economic Vision

1. Enhancements to sustainable connectivity to and from the airport.
2. Smart approaches to logistics and possible (high value, low bulk and weight) opportunities for growing warehousing and regional/sub-regional distribution centres.
3. Decarbonisation of freight sector - urban distribution hubs and transshipment to electric vehicles for final mile and first mile. Enhanced role of an urban distribution hub at LHR.
4. Improved supply chain logistics for airport operations (through the initiative for a dedicated Research Centre at the airport).
5. Ensuring the most efficient use of land and reducing congestion and environmental impacts for local communities, businesses and neighbourhoods.

7.3 System Improvements

1. **Enhanced strategic transport and connectivity to other parts of the UK** to support the gateway function. The sub national transport bodies are already focusing on the road and rail routes that connect the South East to the Midlands and North of England as being of particular importance for freight. HSPG will support the ambition of Transport for the South East and the England's Economic Heartland that future investment is planned in a co-ordinated way across the country recognising that capacity is needed for both passenger and freight movement.
2. Supporting the ambitions of the airport to make handling of cargo quicker and smoother through digitisation and improvement to the regulatory environment at the airport for transshipment.

3. Improvements to the logistics associated with the supply chains for airport operations (as described in the decarbonisation section) which may include digital platforms.
4. Improvements to local goods movements in the HSPG area in ways that reduce negative impacts on local communities, businesses and neighbourhoods, including transshipment for final and first mile using cleaner, smarter vehicles. Longer term there are potentially major innovations such as the Magway underground delivery system which are now being trialled.
5. Identifying the infrastructure that might be required to support change of the scale envisaged, including electricity supply. This should include improvements to the energy networks on and off airport to support cleaner modes including the installation of electric charging point networks to support the distribution vans that serve the airport supply chain and operate in the surrounding area particularly the industrial estates.
6. Examining, through the refresh of the Joint Spatial Planning Framework, the potential for modern high density industrial space for storage and distribution.

08 / SPATIAL PLANNING

8.1 Aim

To reaffirm commitment to collaborative sub-regional scale joint planning to help align local plans across the Greater London boundary with the objectives of:

- Setting a strategic framework and evidence base to support and inform local plan-making and policy delivery in ways that help deliver key cross-boundary spatial planning objectives.
- Helping ensure a platform for planning authorities to work together on areas of common concern and to demonstrate compliance with policy and legislative requirements.
- Providing a platform for discussions with neighbouring regions and national government regarding strategic spatial development issues, including proposals for changes to the planning system.

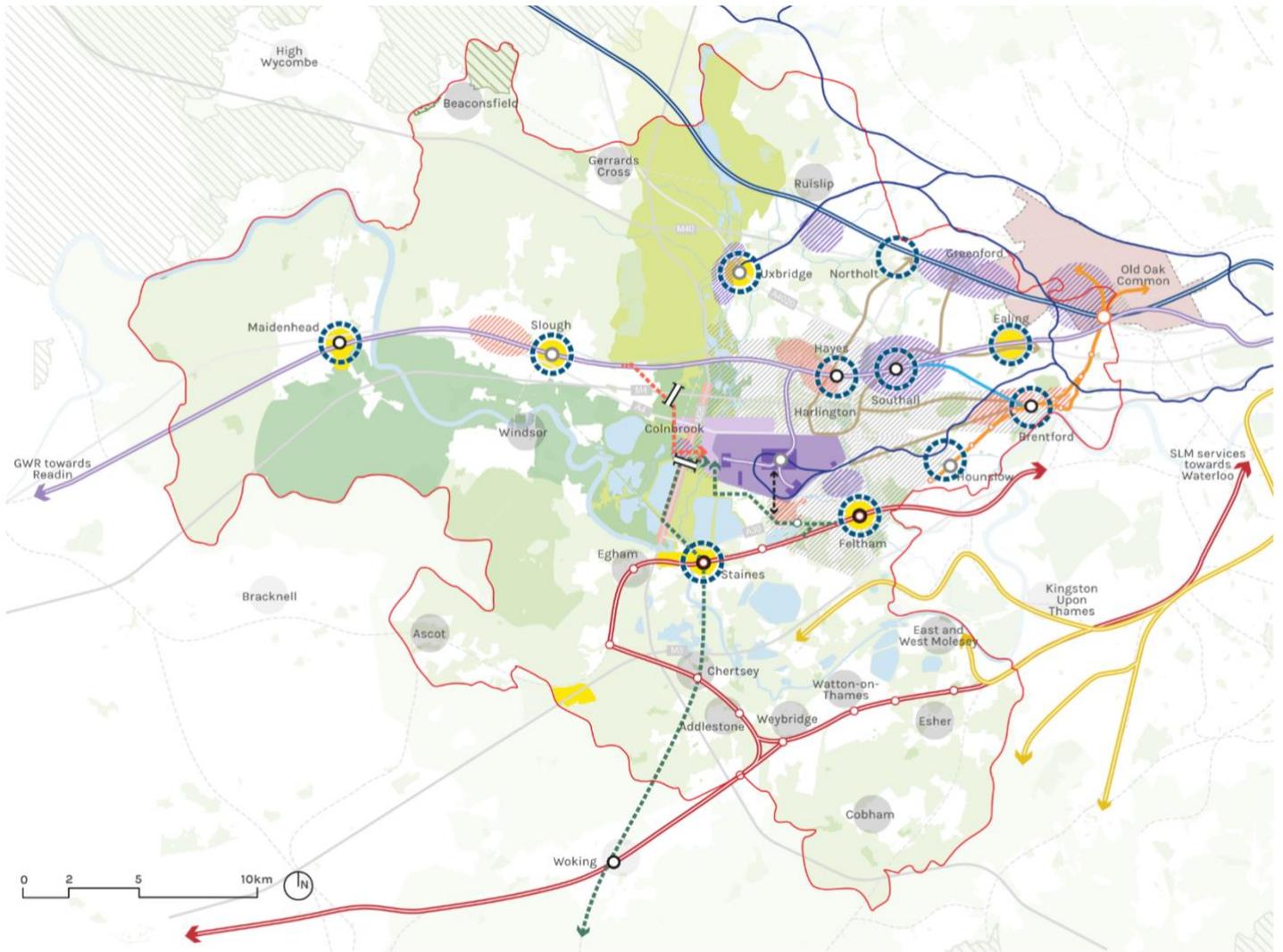
This will involve updating the JSPF Position Statement adopted in March 2020. Whilst the statement remains clear and sound and much of the JSPF strategy remains valid, the wider circumstances have changed significantly with potentially significant impacts for implementation and delivery planning.

The aim is to have a position paper on a revised JSPF (based on 2 runway airport) by the autumn HSPG mini summit which would then lead to a revised JSPF.

8.2 Work Programme

1. High level review of the JSPF – on the basis of two-run airport - to stress test the broad strategy underpinning it in the light of changes in circumstances including new issues arising from the EDVAP revision. These changes include:
 - Demand forecasts (JEBIS updates)
 - Changing relationship of London CAZ / WSE and aviation recovery
 - Responding to national policy/legislation proposals, including changes to strategic planning (including the duty to co-operate) and changes to planning legislation
 - Understanding housing requirements across the sub-region and implications for strategic infrastructure planning
 - London Plan – implications for employment land uses and Green Belt
 - Local pandemic recovery strategies

2050 Strategic Spatial Framework



JSPF Core Area

Strategic Growth Locations

- Area appropriate for new and/or intensified office or hotel development
- Area of search for new and/or intensified industrial development
- Area of search for new and/or intensified office and industrial development
- London Plan Opportunity Areas*

Town Centres

- Priority Town Centre
- Other Town Centre

Green Infrastructure

See figure 5.1 for additional green and blue infrastructure strategic projects

- Green Belt
- Area of Outstanding Natural Beauty
- Colne Valley Regional Park
- Public Park and Garden
- Slough Linear Park
- Waterbody / Watercourse

Heathrow Airport

- Existing Heathrow Terminal
- Existing Airport Boundary
- Illustrative Expansion Boundary

Background Information

- Railway
- Strategic Road Network / Major A Road

Transport Infrastructure

- Existing public transport hubs (co-located rail and bus stations)
- JSPF Proposed new public transport hubs (with improved Last Mile connectivity)
- Old Oak Park Royal Station Interchange
- Old Oak and Park Royal Development Corporation (OPDC)
- HS2
- Elizabeth Line
- South West Mainline Capacity Improvements
- Cross Rail 2
- Western Rail Link to Heathrow (WRLTH) (indicative only)
- Southern Rail Access to Heathrow (SRATH) (indicative options only)
- Western Orbital Rail Link (WOLR)
- Potential Shuttle Link
- Potential Realignment of M25
- HAL proposed Southern Road Tunnel
- Proposed Piccadilly Line Upgrade
- Proposed Enhanced Bus Focus Corridor
- Active Travel Strategic Crossing/Bridge

* Containing: Heathrow, Hayes, Southall, Great West Corridor, Old Oak and Park Royal Opportunity Areas

Map extracted from the JSPF (Feb 2020)

- Measures associated with decarbonisation and climate change adaptation and mitigation
 - Town centres: town centre uses, ensuring focus for future activity, policy responses
 - The JSPF also needs to be tested against the plans for the 3 sub-regional areas identified in the JSPF and against the emerging EDVAP scenarios.
 - This broad assessment will be done through the development of an initial hypothesis which is then tested in workshop sessions.
2. Topic based qualitative investigation on specific policy issues that will need further work and evidence gathering particularly on employment land uses notably:
 - data centres
 - logistics and multi-storey warehousing
 - the future of the sub-region's town centres
 - the sub-region's infrastructure needs
 - renewable energy generation.
 3. Assess implications for the delivery plan and necessary infrastructure given changes in the availability of previously anticipated sources of funding (associated with expansion). Identify possible alternative sources.
 4. Identify strategic issues on which alignment across boundaries will be particularly important, both across the sub-region and with neighbouring regions/sub-regions.
 5. Identify areas where joint work on the use of planning powers to deliver strategic objectives would add value.
 6. Develop some specific common documents e.g.:
 - Supplementary Planning Documents on employment land issues that have been the subject of specific investigation e.g., data centres
 - common methodology or approaches on employment land studies to support the development of a comparable set of studies across the HSPG area.

09 / FUTURE SCENARIOS: QUADRANTS

At this point there is inevitable uncertainty about the trajectory for both passenger and freight activity at the airport **and** whether there will be a longer-term shift in the broader economic paradigm for the area, particularly in terms of the balance of activity between central London and outer London. Accordingly, some high-level **scenarios** have been developed to illustrate the consequences and the opportunities for aspects of the work programme in terms of:

- (a) Whether there is a slow and weak or a faster, stronger recovery at the airport
- (b) Whether there is little change to the old relationship between central and outer London or whether a new paradigm begins to emerge.

WEAK RECOVERY AND NEW PARADIGM	STRONG RECOVERY AND NEW PARADIGM
Airport activity remains depressed; moves to diversify usage type and pattern ('Gatwickisation'). Less pressure for expansion.	Growth in passengers and freight at airport-current usage mix maintained, pressure for a 'greener' expansion and journeys.
Less international tourism/business travel.	International tourism at pre-pandemic levels, slight reduction in business travel.
Central London also experiences reduced activity.	Central London activity level maintained.
Outer London experiences slight growth due to greater homeworking – but major sectoral shift.	Outer London recovers strongly – some sectoral shift/changes to business models.
Decarbonisation efforts piecemeal and smaller scale (deregulatory planning/policy framework).	Programme of decarbonisation and 'net zero plus' measures central to economic and social activity.
Reduced movement around airport and into central London. Increased number of local/radial trips.	Reduced radial commuting, more local employment and trips, more active travel.
Major programmes on restraining and reskilling to minimise impact of increased unemployment.	Positive adjustment in working age population to new business models (more virtual/dispersed, more automated, greater career flexibility/insecurity).
Piecemeal efforts to change local and town centre economies but demand deficit and creeping residential dominance.	Greater activity and diversity in local/town centre economies: employment, housing, culture.

WEAK RECOVERY AND OLD PARADIGM	STRONG RECOVERY AND OLD PARADIGM
Airport activity remains depressed – greater effort to change the pattern and type of usage. Expansion might be a ‘public works’ project.	Growth in passengers and freight at the airport – current usage mix retained, more pressure for expansion in accordance with NPS.
Less international tourism/business travel.	Significant growth in international tourism and business travel back to pre-pandemic.
Central London gradually returns to pre-pandemic levels.	Central London remains major pull with ongoing mass radial commuting.
Outer London returns to pre-pandemic levels. Significant sectoral shift.	Outer London grows – but less rapid. Less sectoral shift.
Decarbonisation measures struggle to secure priority against economic measures.	Decarbonisation measures taken when do not disrupt economic activity.
Structural impact on workforce – younger and older mid skilled workers losing out.	Slower uptake of new business models and associated workforce adjustments.
Further reductions in the scale and diversity of town centre and local economies. Creeping residential dominance.	Town centres chase retail/leisure.

10 / Heathrow Strategic Planning Group

Heathrow Strategic Planning Group (HSPG) is a voluntary partnership of local authorities and local enterprise partnerships in the area surrounding Heathrow Airport which are engaged in planning for the development of the sub-region and ensuring that the airport is operated and developed in a way that is well planned and sustainable for the communities that live around it. The Group is supported by a small Secretariat Team funded by the Full Members.

The Full Members of the Heathrow Strategic Planning Group are:

Buckinghamshire Thames Valley LEP
Elmbridge Borough Council
Enterprise M3 Local Enterprise Partnership
London Borough of Ealing
London Borough of Hounslow
Runnymede Borough Council
Slough Borough Council
Spelthorne Borough Council
Surrey County Council
Thames Valley Berkshire Local Enterprise Partnership

Other organisations participate in many of the activities of the HSPG, many with ‘Observer’ status, including:

Buckinghamshire Council
Buckinghamshire Thames Valley Local Enterprise Partnership
Colne Valley Regional Park
Department for Transport (Aviation Team) and other Government Departments
Environment Agency
Heathrow Transport Area Forum
Highways England
Independent Commission on Civil Aviation Noise
London Borough of Hillingdon
London Borough of Richmond
Natural England

Public Health England

Royal Borough of Windsor and Maidenhead

Strategic Aviation Special Interest Group (of the Local Government Association)

Transport for London

West London Alliance (of West London Boroughs)

West London Business

The relationship with Heathrow Airport

The **HSPG** is independent of but works closely with the airport operator, **Heathrow Airport Limited**, other local stakeholders, and a variety of (local and international) special interest and community forums.