



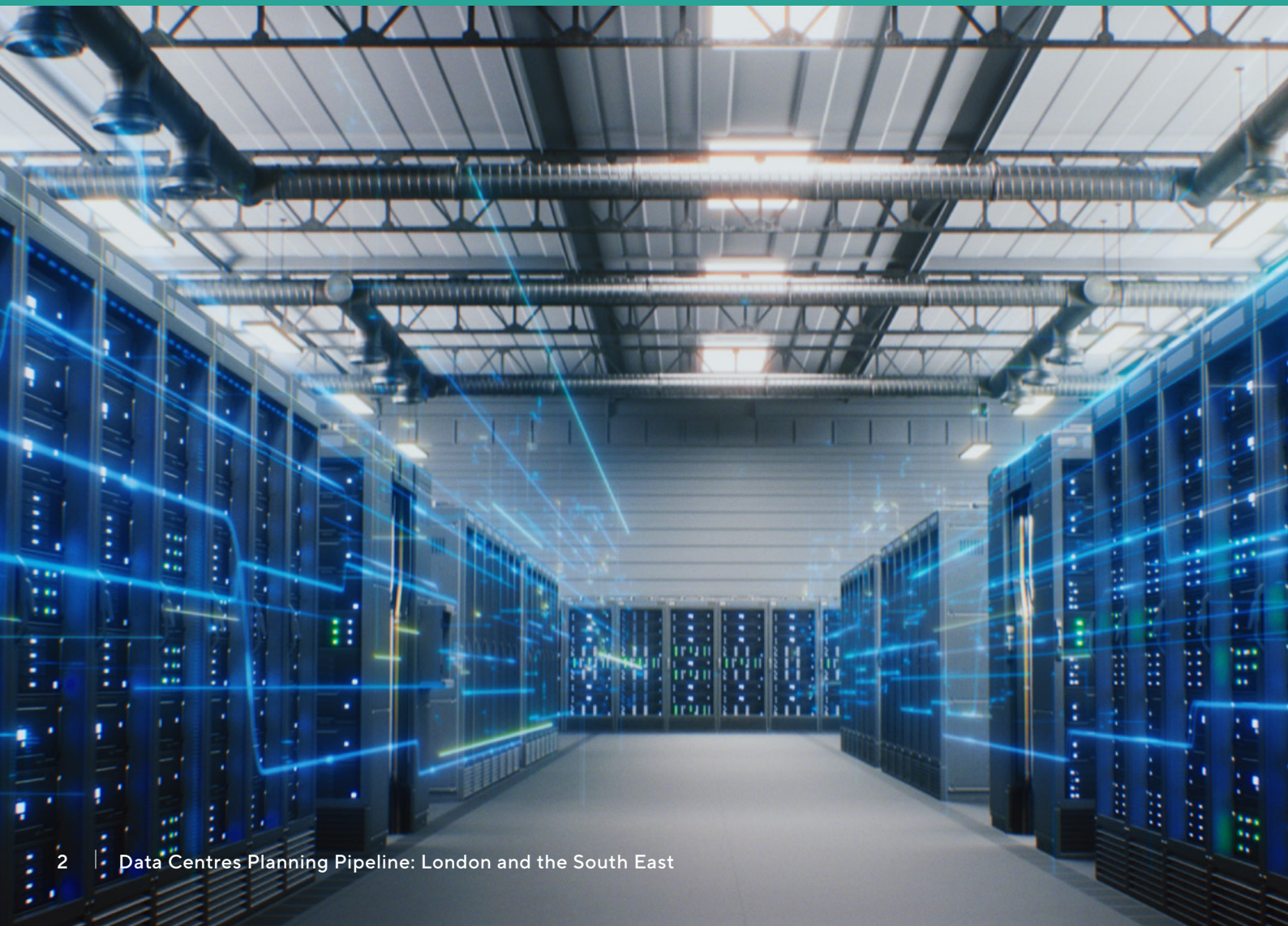
Critical Capacity

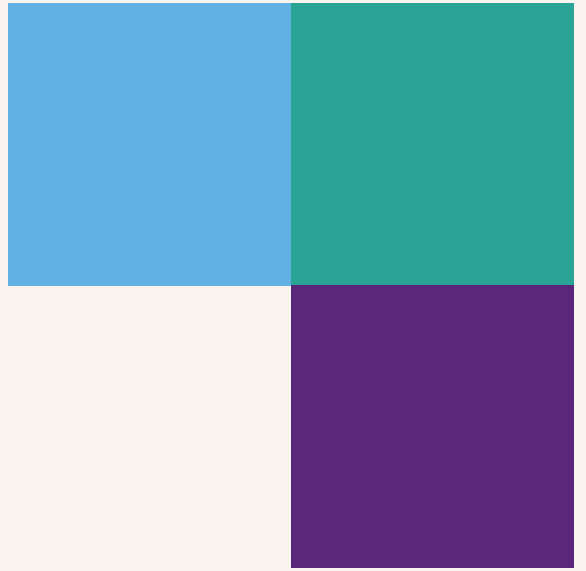
Data Centres Planning Pipeline:
London and the South East

Turley

Contents

Section 01: Introduction & Methodology	03
Section 02: Planning Policy Approaches	06
Section 03: Planning Pipeline Overview	11
Section 04: Assessment of Environmental Implications	19
Section 05: Planning Benefits & Development Opportunities	24
Section 06: Conclusion	27





Section 01:

Introduction & Methodology

Introduction

Fuelled by growing social and economic demand, data centres contribute £4.7 billion in Gross Value Added ('GVA') to the UK economy each year, supporting 43,500 jobs and generating £640 million in tax revenue¹, with global demand expected to triple by 2030 largely due to the continued development of Artificial Intelligence ('AI')².

The Government has made clear that the UK should harness the power of AI to drive broad-based growth³. The construction of modern, fit-for-purpose data centres will provide a key foundation for this growth. Indeed, the Government has forecast that it will need at least 6GW of AI-capable data centre capacity by 2030⁴.

Addressing this need has become a matter of national policy, with the Government designating the data centre sector as part of the UK's critical national infrastructure, committing to fast-tracking projects through the planning process and pledging £36 million to support new Smart Data Centre schemes through the UK Industrial Strategy⁵. The Industrial Strategy, alongside the Government's AI Opportunities Action Plan⁶, introduced AI Growth Zones ('AIGZs'), with locations announced in Scotland, North and South Wales, the North East of England and Oxfordshire⁷.

Whilst this need is a nationally significant matter for the Government, London and the wider South East of England remain the most mature markets, with data centre development concentrated around West London and Slough since the 1990s dotcom boom⁸. The area's proximity to transatlantic telecommunications cables, Heathrow Airport, the City of London (and wider Central Activities Zone ('CAZ')⁹, Acton Power Station and M4 Corridor represented strong 'pull factors' for data centre development¹⁰ over the last twenty years.

This cluster forms one of the technology sector's so-called Cloud Zones ('CZs'), where interconnected facilities enable low-latency communication, resilience and data replication. CZs also often share power, cooling and security infrastructure¹¹.

Both London and the South East and East of England regions have also established data centre Availability Zones ('AZs'), comprising physically separate facilities within a cloud-provider region.

AZs are designed to ensure continuity if one facility experiences disruption, with facilities located sufficiently apart (often no more than 100km) to provide resilience while maintaining low-latency connectivity.

All three major cloud providers (AWS, Microsoft Azure¹² and Google Cloud) operate regions with multiple AZs¹³ in Greater London and the South East, although precise locations and interconnections are not publicly disclosed for security reasons.

These 'zones' sit outside formal planning policy designations and are shaped by a range of spatial, technical, physical and contextual requirements that extend beyond the remit of traditional planning policy.

In this context, we have reviewed the latest planning pipeline for data centre development in Greater London and the key emerging hotspots across the M4 Corridor, Home Counties and East of England (collectively referred to as the South East and East of England).

Drawing on [Turley's experience advising](#) on planning, [environmental impact](#) and [sustainability](#) matters, this report examines the schemes coming forward, their location, typologies and emerging characteristics, and the extent to which the planning pipeline is translating into delivery.

The report also considers current and emerging policy trends relevant to the sector and the spatial themes arising from the development pipeline.

¹techUK Report - Foundations For The Future: How Data Centres Can Supercharge UK Economic Growth

²McKinsey - The cost of compute: A \$7 trillion race to scale data centers, 28 April 2025

³DSTI, AI Opportunities Action Plan, January 2025

⁴DSIT, UK Compute Roadmap, 17 July 2025

⁵DSIT & DBT, UK Industrial Strategy, September 2026

⁶DSTI, AI Opportunities Action Plan, January 2025

⁷DSIT, Delivering AI Growth Zones, November 2025

⁸techUK Report - Foundations For The Future: How Data Centres Can Supercharge UK Economic Growth

⁹Great London Authority (GLA) - The London Plan 2021

¹⁰techUK Report - Foundations For The Future: How Data Centres Can Supercharge UK Economic Growth

¹¹Buro Happold - London's Data Centre Future Growth Forecasts and Strategic Insights (2025)

¹²<https://learn.microsoft.com/en-us/azure/reliability/availability-zones-overview?tabs=azure-cli>

¹³Buro Happold - London's Data Centre Future Growth Forecasts and Strategic Insights (2025)

Methodology

This report provides a comprehensive review of full, hybrid and outline planning applications for data centre developments submitted across London and the South East over the past five years (from 1 August 2021 onwards). Its purpose is to assess the emerging development pipeline and identify the key planning, spatial and policy trends influencing the delivery of data centres across the study area.

In terms of its spatial and administrative boundaries, the research covers all 32 London Boroughs, the City of London, and the two Mayoral Development Corporations. These comprise the Old Oak and Park Royal Development Corporation ('OPDC') and the former London Legacy Development Corporation ('LLDC'), whose planning powers transferred back to the London Boroughs of Newham, Hackney, Tower Hamlets and Waltham Forest on 1 December 2024.

In addition to London, the report incorporates major data centre developments within a number of Local Planning Authorities ('LPAs') across the South East and East of England. Based on market activity and development trends, 18 LPAs have been identified as key data centre hotspots, including Hertsmere and Slough.

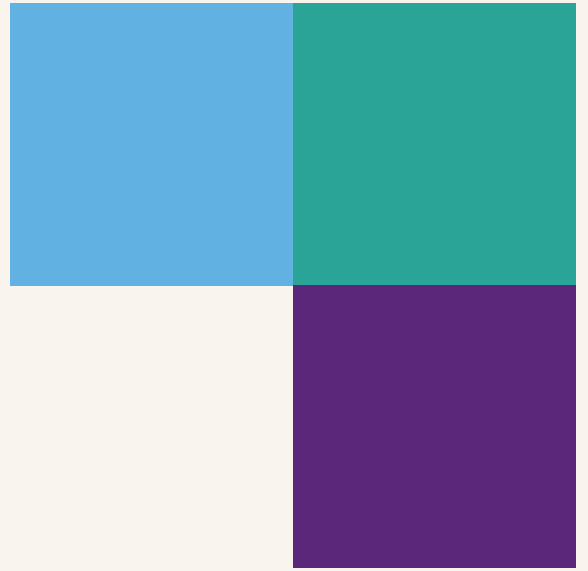
For the purposes of this research, the analysis focuses on data centre schemes that are considered "major", namely developments comprising 1,000 sq m or more of floorspace. Within London, the review also includes, but is not limited to, schemes that are referable to the Mayor of London in his role as the capital's strategic planning authority. These are applications that have been referred to the Greater London Authority ('GLA') for Stage 1 and/or Stage 2 consideration.

The analysis draws exclusively on publicly available information, including GLA Stage 1 and Stage 2 reports, planning committee reports, officer reports, decision notices, Section 106 agreements, and associated planning application documentation.



Section 02:

Planning Policy Approaches



02

Emerging Planning Policy Approaches

The recognition of data centres as a distinct and critically required development typology is beginning to be reflected in the planning system at the national, regional and in some circumstances local level. The new National Planning Policy Framework ('NPPF') (2026)¹⁴ via Policy EV1 now directs development plans to set out clear economic vision and strategy, having regard to the UK Industrial Strategy and indeed AIGZs. We have reviewed the current and emerging policy frameworks across London, and wider South East and East of England regions in order to understand the latest policy approaches in relation to data centre development.

The most evident trend is the current absence of adopted planning policy that is specific to data centre development across all regions. Our research has found that the adopted (and emerging) policy picture in London is more nuanced than the South East and East of England with selected London Boroughs and now the Mayor of London producing spatial and development management specific policy.

However, it is clear that planning policy approaches for data centres remain in their infancy. A key question for the sector will be therefore whether - given the substantial growth and ever-increasing need for such schemes - focused data centre specific planning policies will stimulate or hinder further growth in the planning pipeline in the future. Similarly, given the rapid pace of development of AI, and therefore the requirements for supporting infrastructure, will such policies ever in practice manage to keep up with real world operational requirements.

¹⁴Ministry of Housing, Communities and Local Government - National Planning Policy Framework



Emerging Spatial Approach for Greater London

The Mayor of London's publication of the draft London Plan 2026 marks a significant shift in planning policy terms, with the supporting evidence base noting data centre development in London having the potential to grow tenfold by 2050.

Emerging London Plan Policy proposes to take a more strategic plan-led approach to future data centre growth, which seeks to co-ordinate and integrate, new data centre development in line with the critical infrastructure (i.e. access to grid, water, fibre connections) required to power rapidly evolving latest market standards.

Under the emerging London Plan, the Mayor is seeking to direct new data centres away from designated employment land or indeed other brownfield land which has been identified to accommodate another strategic need e.g. new homes. This is, in order, to maintain adequate land for traditional industrial, logistics and other employment uses, as well as acknowledge the specific land use requirements that a data centre typically needs.

Given the scarcity of available land in the Greater London area (and indeed in the hot spot areas of data centre growth in the wider South East), this begs the question, where should such development be located under this new strategic approach?



Local Policy: London Boroughs

Adopted policy approaches

The publication of the draft London Plan 2026 represents the most recent data centre-specific planning policy at the time of writing this report. However, as our research has identified, it is not the first data centre-specific policy. The map below provides the current adopted local development plan context within London.

Our research confirms that only three London Boroughs currently have adopted local plan policy (or supplementary planning document policy) referencing data centre development, all of which are associated with the Boroughs’ wider employment-based policies.

In Bexley, Local Plan Policy DP7 identifies digital infrastructure, including data centres, as being most appropriately located in the Borough’s Strategic Industrial Land (‘SIL’).

Tower Hamlets explicitly supports data centre development in the Blackwall area of the Borough, which would directly support the requirements of the City of London and Canary Wharf under Local Plan Policy S.EMP1, representing a very different spatial planning approach to that of Bexley.

The Old Oak and Park Royal Development Corporation (‘OPDC’) has policies defining locational criteria for data centre development and the need to manage associated environmental impacts.

Emerging Policy Approaches

As the map illustrates, the emerging policy position is similar, with just four London Boroughs currently preparing local plan policies referencing data centres, of which only one Borough, Tower Hamlets, includes a data centre-specific planning policy.

In Newham, whilst the emerging Local Plan does not include data centre-specific policy, its utilities and digital infrastructure policy notes that data centres should not compromise other land uses such as housing and employment. This emerging policy reflects a similar approach to Tower Hamlets and the draft London Plan 2026.

Based on our review, Hounslow’s draft Local Plan Policy ED2 also seeks to safeguard existing industrial and office sites for traditional employment uses, requiring data centre proposals to demonstrate why such locations are appropriate.

Haringey’s emerging Local Plan acknowledges the potential for secondary waste heat generated from data centre development to be reused through local district heat networks, a similar theme elsewhere in London.

Overall, whilst the planning policy position in the Capital remains in its infancy, there is a clear trend towards safeguarding industrial and employment land for traditional uses, directing data centre development to more suitable locations.



Local Policy: South East

Adopted Policy

Within the South East LPAs considered, there are no adopted local plans with specific data centres policies. Planning applications for such schemes to date have been considered against employment and environmental policies with limited recognition in policy terms of the nuances of data centre proposals.

Slough, however, has one of only two simplified planning zones ('SPZ') in the UK in the form of Slough Trading Estate. The Slough Trading Estate SPZ has been in place for over 30 years, with the most recent order confirmed in 2024 and covering the period up to 2034. Whilst not a specific data centre policy the SPZ allows for them to come forward within the limitations set by the order. The flexibility and positive policy position of the SPZ has driven significant growth in this location.

For context Slough Trading Estate contains 10% of the UK's data centres and has been the subject of development and redevelopment proposals in the recent past.

Emerging Policy

There are several emerging Local Plans in the South East plans which are introducing policies in respect of data centres, in particular, those where there has been an influx of applications such as Buckinghamshire and Welwyn Hatfield and others where there is mention of data centres within employment policies.

Of note, Buckinghamshire's Draft Local Plan includes policy E5 which sets out a number of criteria to be complied with; including that it can be demonstrated that sufficient grid capacity can be secured to support the development and that there is robust evidence to justify the need for the data centre in the proposed location. Of particular note, is that where proposals are within sensitive locations (defined as including Green Belt), there is a need to demonstrate that the need cannot be met in a less sensitive location. With particular regard to the area of the former South Bucks and Chiltern authorities (which are the areas within the Availability Zones) over 80% of the area is within the Green Belt – but no recognition is made that this could include grey belt land.

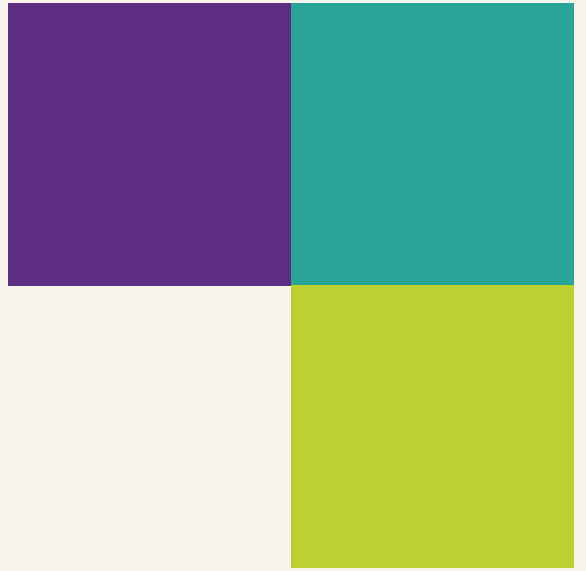
Welwyn Hatfield's emerging Local Plan policy DMP38 seeks to provide a supportive context for data centres provided they are proposed within designated employment areas. There is no policy text in respect of Greenfield proposals. The policy also seeks to ensure that the energy and environmental impacts of any proposals are fully considered and information provided with an application, including energy usage, grid connectivity and environmental impacts.

Hertsmere Council already had supplementary planning documents which include references to data centre development but the emerging Local Plan has acknowledged that there is a need for data centres and that Policy E5 will identify sites for data centres alongside storage and logistics developments.

Like London, it is clear that the policy position in relation to data centres across the South East remains in its infancy.



- Adopted Policy / Guidance
- Emerging Policy / Guidance



Section 03:

Planning Pipeline Overview



London

Planning Status of Assessed Schemes

Our research has identified 20 major data centre applications and one Local Development Order submitted across London over the past five years, spanning eight LPAs.

Of the schemes in the pipeline, 17 have received planning approval, two of which have been granted via an appeal. Of four pending applications, two applications have received a resolution to grant and are at GLA Stage 2, awaiting final determination.

Hotspots for Data Centre Schemes in London

Key clusters of data centre development are evident in outer London Boroughs to the west of the Capital, particularly within the London Borough of Hillingdon and the Old Oak and Park Royal Development Corporation ('OPDC') area. In addition, several smaller concentrations of development have been identified in the London Boroughs of Newham and Tower Hamlets. These include the Royal Docks and Silvertown areas in Newham, and the Docklands and Isle of Dogs areas in Tower Hamlets.

 Pending
 Approved



South East

Planning Status of Assessed Schemes

The South East data centre market remains active, with 35 major schemes identified across 18 LPAs over the last five years. At the time of writing, almost three-quarters of schemes have secured planning permissions, while 11 proposals remain under consideration.



Hotspots for Data Centre Schemes in South East

In the South East, Buckinghamshire has emerged as a principal ‘hotspot’ for data centre development, with a total of ten schemes identified, comprising five approved schemes and five pending applications. A secondary cluster is evident across Hertsmere and Slough, which collectively account for six schemes, whilst smaller concentrations of development are found in Broxbourne, Cambridge and Dacorum.

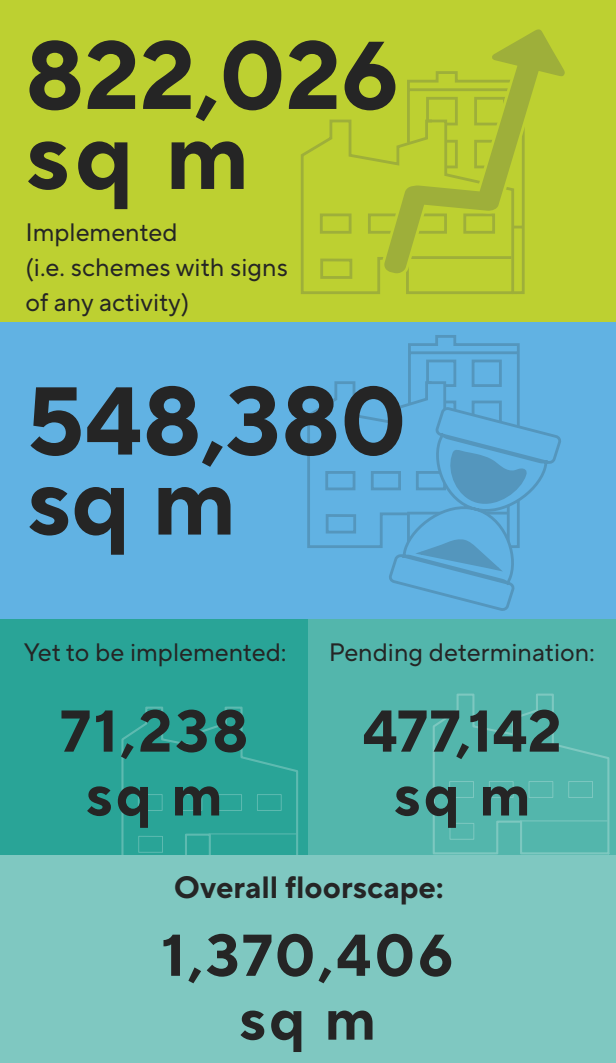
Established Availability Zones also appear to be a significant driver of data centre activity across the South East. In particular, seven schemes are located within an Availability Zone, comprising approximately 599,400 sq m of data centre floorspace (GEA). This equates to one-third of the total South East pipeline floorspace. The concentration of development within the Slough Availability Zone and the wider London Availability Region is particularly notable, reflecting the ongoing attractiveness of locations that benefit from proximity to London’s established connectivity infrastructure and strategic electricity networks, which together provide a strong foundation for further sector growth.

- Pending
- Approved

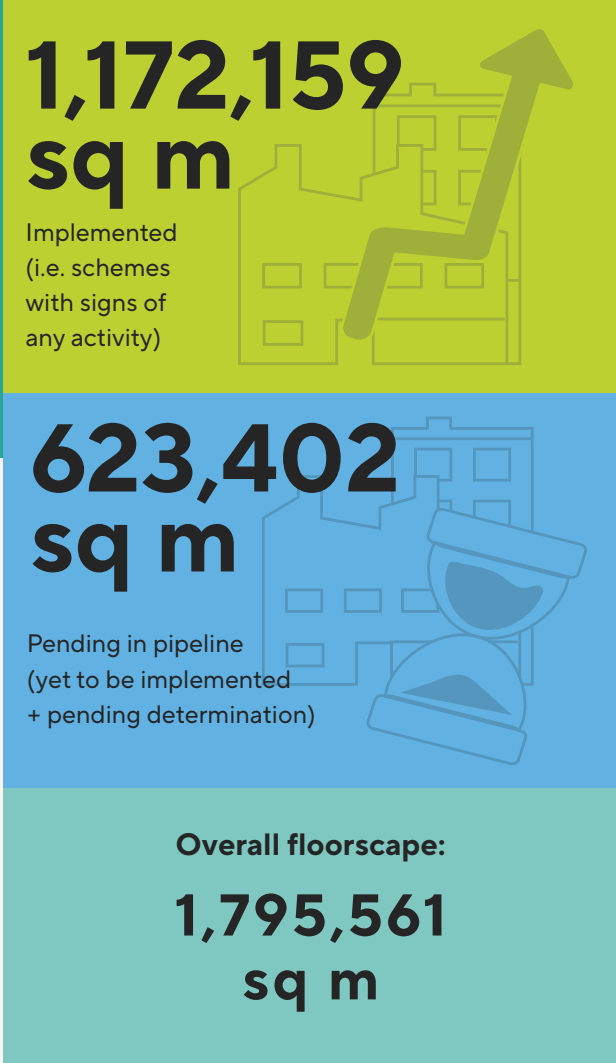


Quantum in Planning Pipeline

London

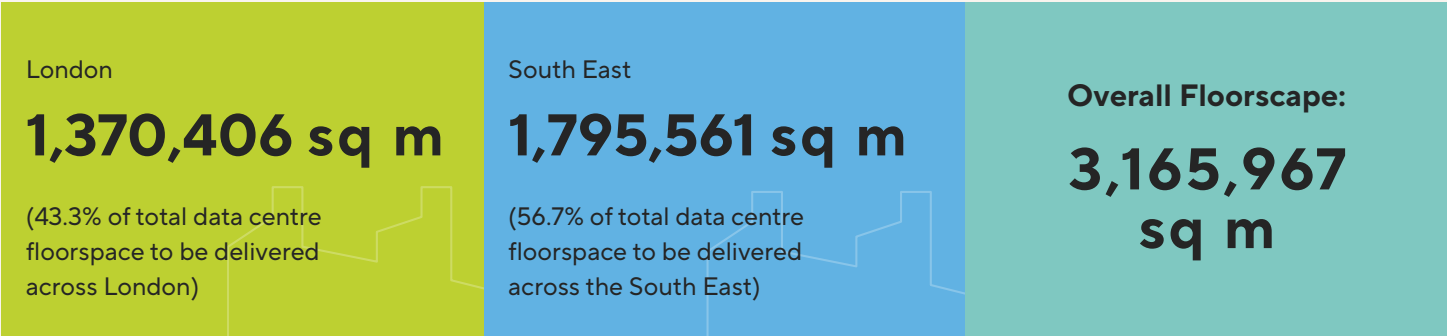


South East



**Three schemes do not have reported GEA figures (one OPDC application and two London Borough of Tower Hamlets applications). For the purposes of this analysis, the GEA for these schemes has been estimated based on the reported GIA, with an uplift of 7.5% applied.*

London and South East



Where are they located?

London

Industrial Designations

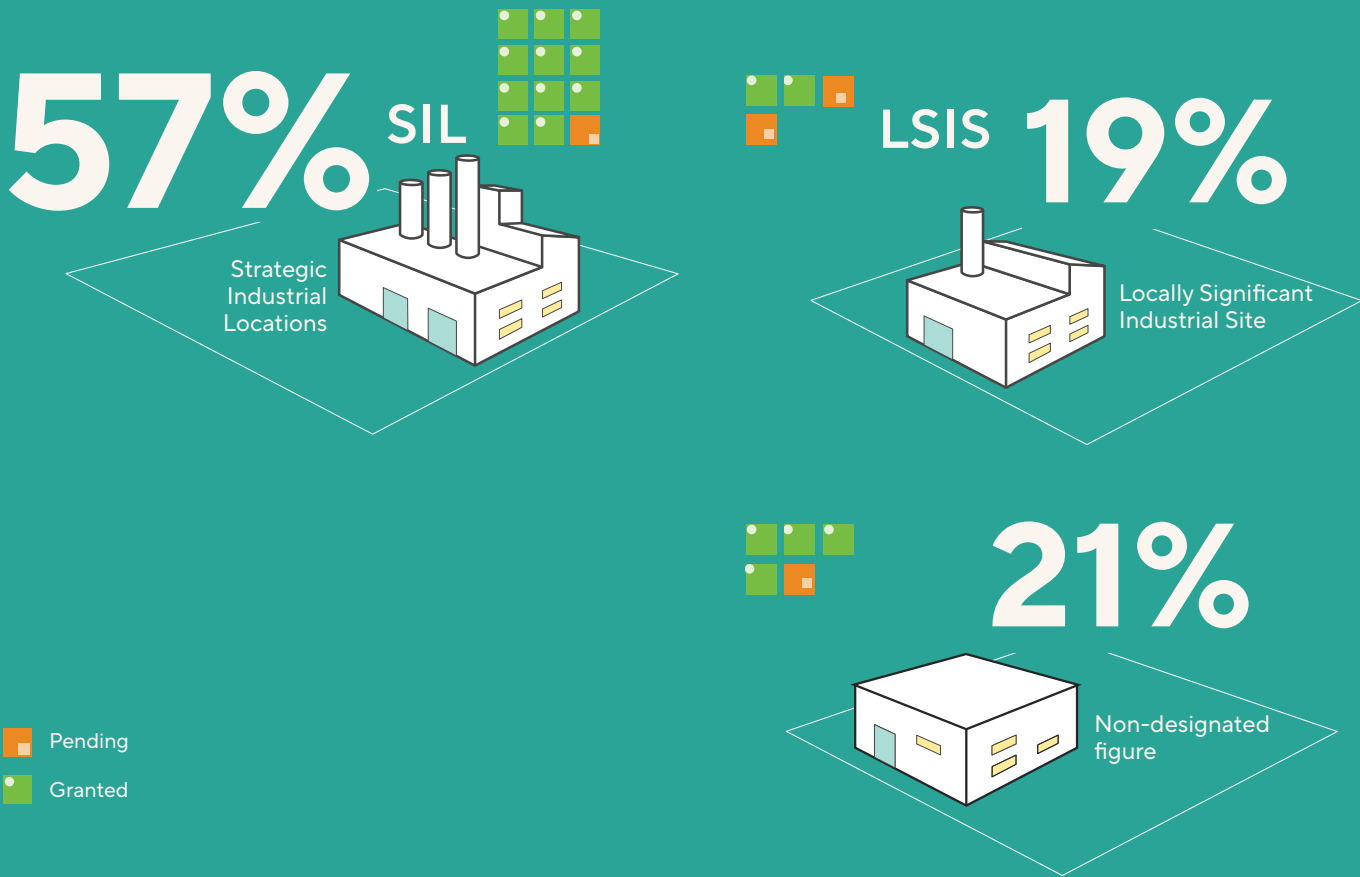
Within London, 16 schemes, representing 76% of the 21 major data centre schemes reviewed, are located within either Strategic Industrial Locations (“SIL”) or Locally Significant Industrial Sites (“LSIS”), highlighting the significant role that London’s designated industrial land has played in accommodating major data centre development.

More specifically, the majority of London’s major data centre schemes are located within SILs, which typically represent the highest tier of industrial land designation in London. A total of 12 schemes, accounting for 57%, are situated within SILs, whilst LSISs also hosts a further 19% of schemes. The remaining 21% are located outside designated industrial land.

Notably, there is a clear spatial pattern amongst schemes located outside SILs and LSISs. Four of the five schemes are concentrated within Tower Hamlets, reflecting the established data centre cluster within the Isle of Dogs and Docklands areas, whilst the remaining scheme relates to the proposed Havering Local Development Order, which is currently under consideration.

The concentration of data centre development within designated industrial locations may reflect the historical alignment between data centre uses and London’s industrial land policies, given the sector’s operational requirements, substantial infrastructure demands and compatibility with other industrial activities.

However, the emerging policy position outlined in the draft London Plan represents a potentially significant shift in approach. The draft London Plan proposes that data centres should no longer be regarded as industrial uses for policy purposes and instead introduces a requirement for schemes to demonstrate they are located in suitable, strategically identified locations. This potentially suggests a move away from the development pattern observed to date, which remains heavily concentrated within designated industrial locations. As a result, future proposals may be subject to a more selective policy framework, with potentially significant spatial implications for future development opportunities across London.



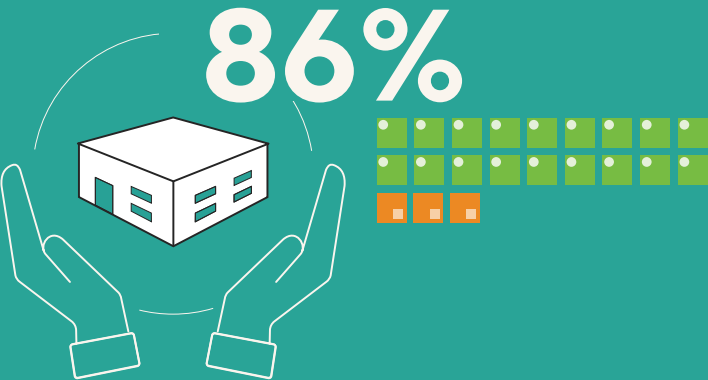
Opportunity Areas ('OAs')

Represent the most prevalent strategic designation within the London data centre pipeline, with 18 of the 21 major schemes located within an OA, of which 15 have already secured planning permission. Notably, only three schemes are located outside OAs, comprising two schemes in Hillingdon and the proposed Havering Local Development Order.

This pattern demonstrates the extent to which data centre development has been directed towards London's identified growth locations, reflecting their ability to accommodate large-scale infrastructure development and support strategic economic growth objectives.

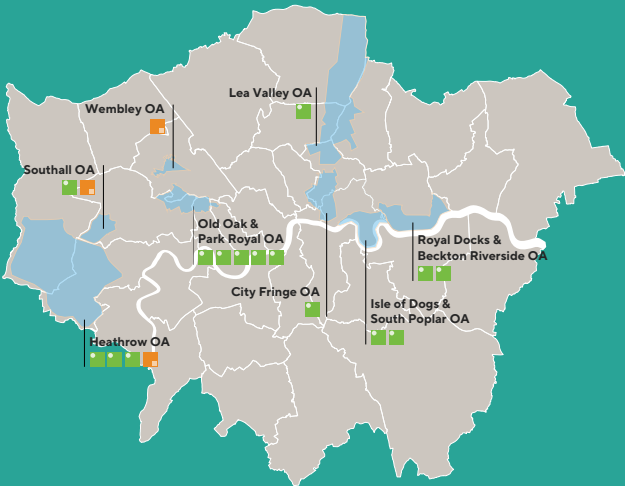
Number of schemes in OAs

- Pending
- Granted



Distribution of schemes in OAs

- Pending
- Granted

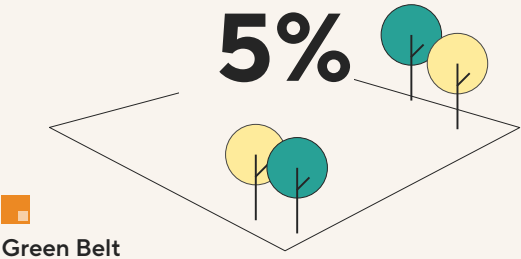


Green and Grey Belt

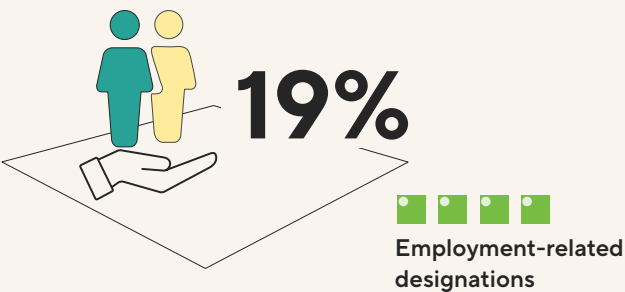
By contrast, only one scheme is located within the Green Belt. This is a notable difference compared to the increasing number of data centre proposals coming forward on Green / grey belt land elsewhere in the wider South East, which is further explored in later sections. The comparatively limited presence of Green Belt proposals in London may reflect the capital's strategic focus on directing growth towards previously developed urban land.

Other Designated Employment Locations

A smaller proportion of schemes, with only four identified, are located within other employment-related designations, including Employment Hubs and Local Employment Locations. This relatively limited representation may reflect the distinctive nature of data centre development, which, despite generating significant economic value and supporting critical digital infrastructure, does not typically deliver employment densities comparable to more traditional employment uses. As such, data centre proposals appear to align more closely with strategic growth and infrastructure objectives than with designations primarily intended to maximise employment generation and job density.



- Pending
- Granted

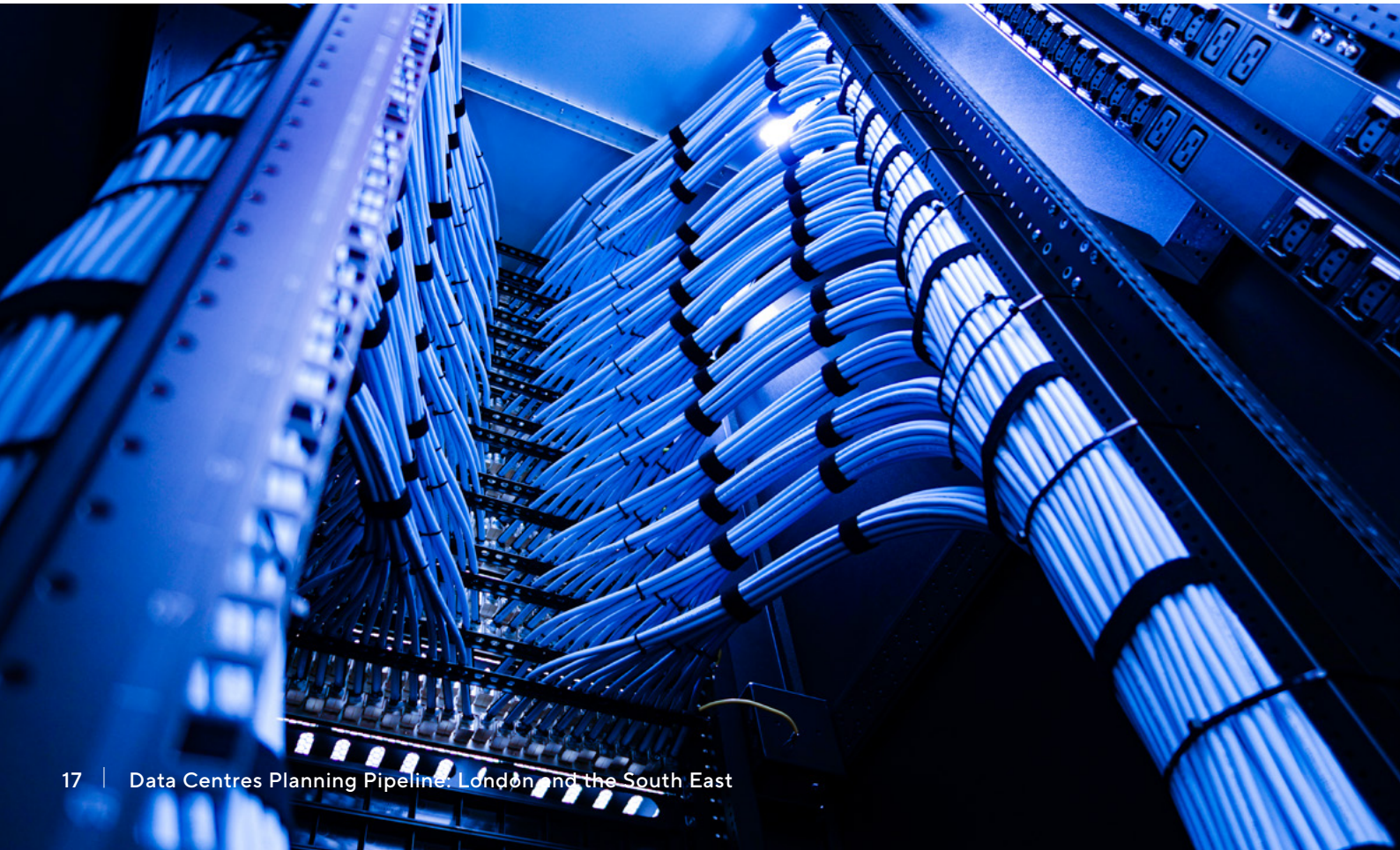
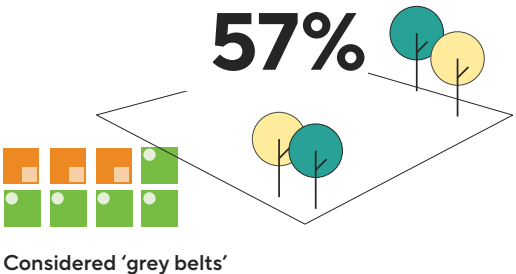
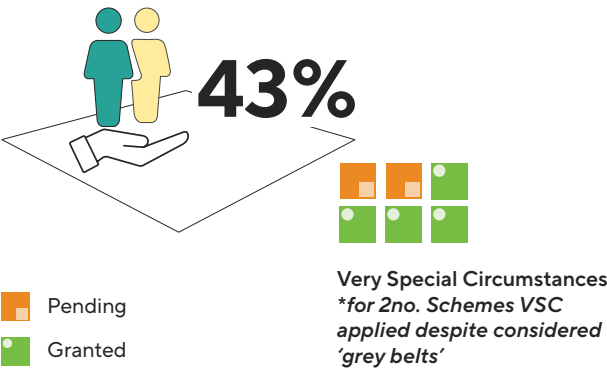
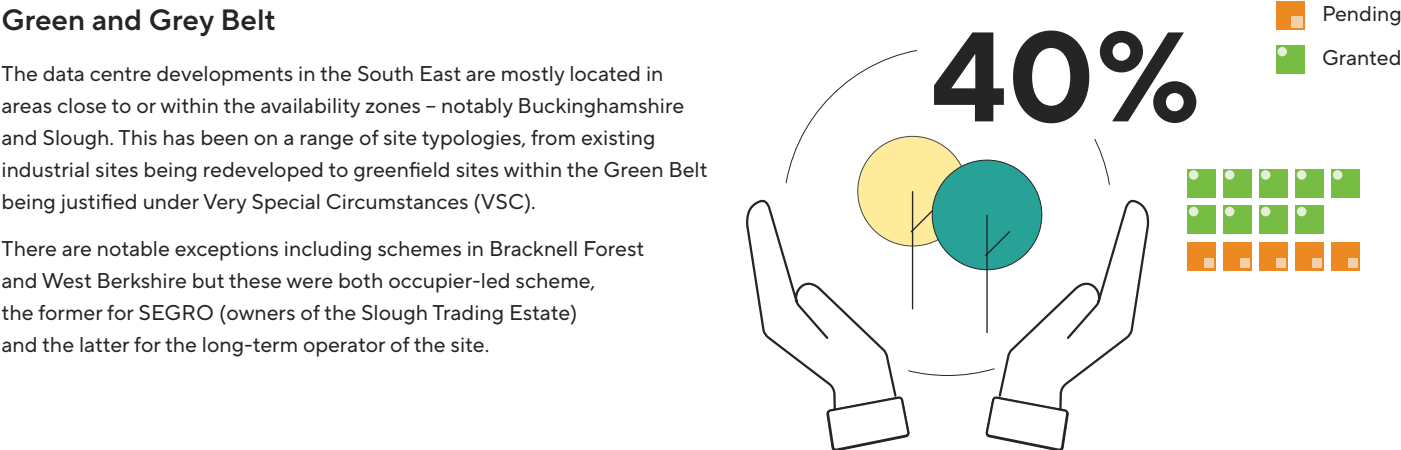


South East

Green and Grey Belt

The data centre developments in the South East are mostly located in areas close to or within the availability zones – notably Buckinghamshire and Slough. This has been on a range of site typologies, from existing industrial sites being redeveloped to greenfield sites within the Green Belt being justified under Very Special Circumstances (VSC).

There are notable exceptions including schemes in Bracknell Forest and West Berkshire but these were both occupier-led scheme, the former for SEGRO (owners of the Slough Trading Estate) and the latter for the long-term operator of the site.

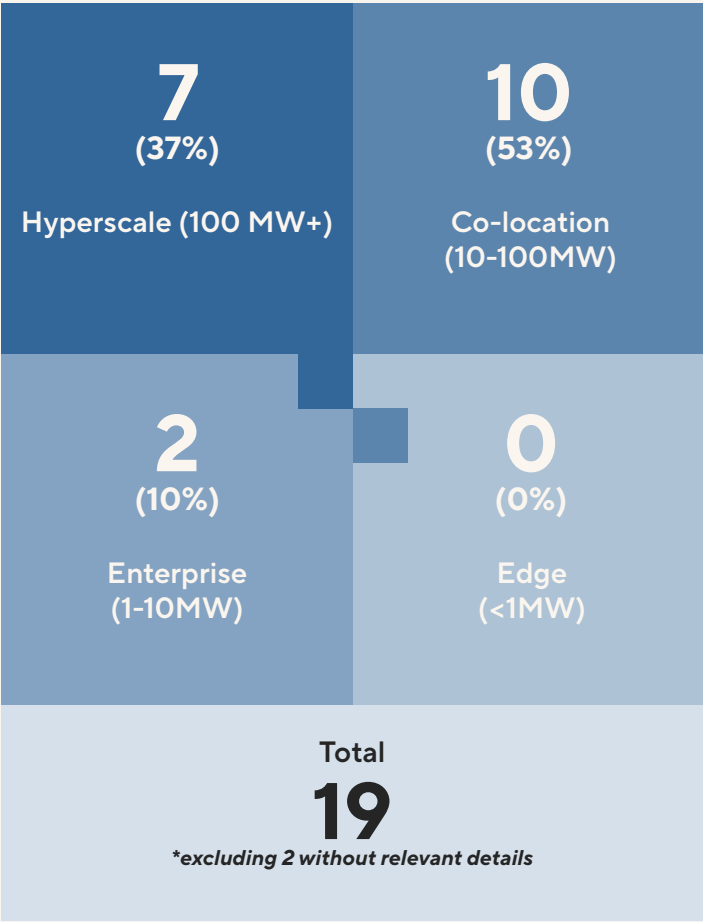


Power Requirements

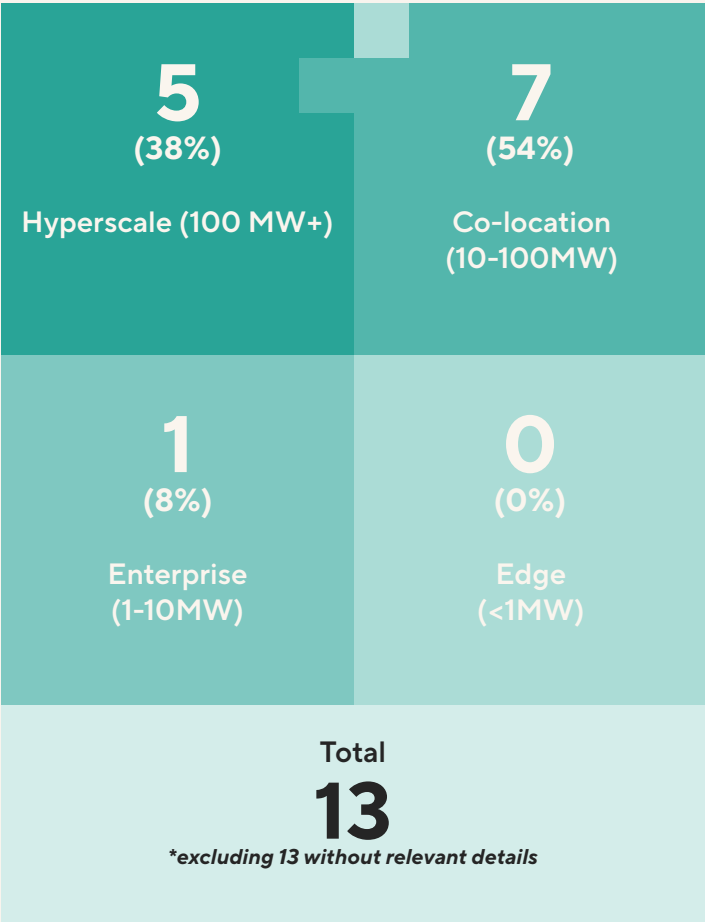
The data confirms the scale of data centre developments currently progressing through the planning pipeline across London, the South East and the combined study area. Across all geographies, co-location facilities (10-100MW) represent the largest proportion of schemes, accounting for more than half of identified developments, highlighting continued demand for interconnected digital infrastructure within established market locations.

Hyperscale facilities (100MW+) also comprise a significant share of the pipeline, reflecting the increasing power requirements associated with cloud computing and AI-driven workloads. In contrast, relatively few enterprise-scale facilities are coming forward, with no edge data centre schemes identified, demonstrating a clear market focus on larger, strategically significant developments...for now.

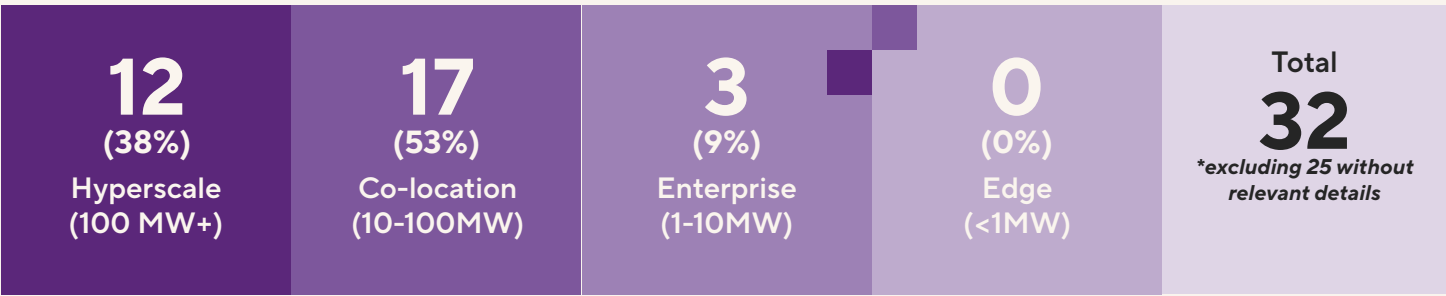
London

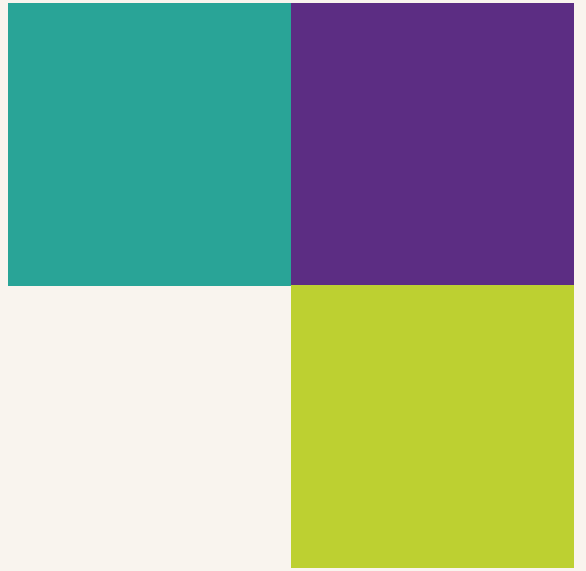


South East



Combined





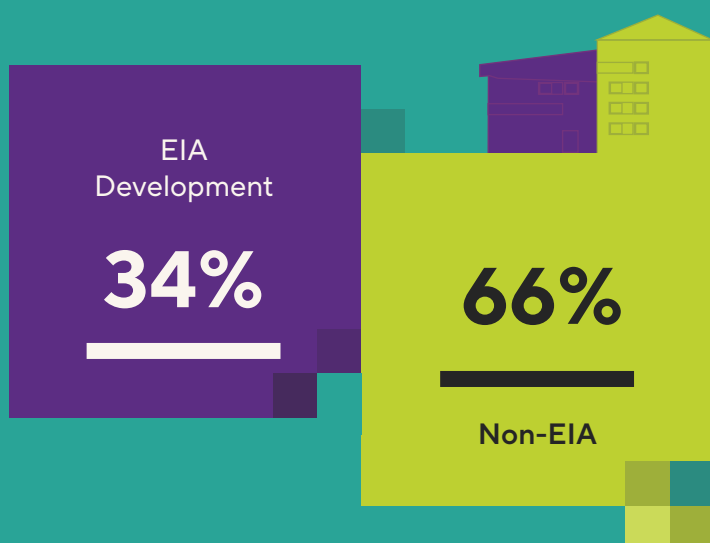
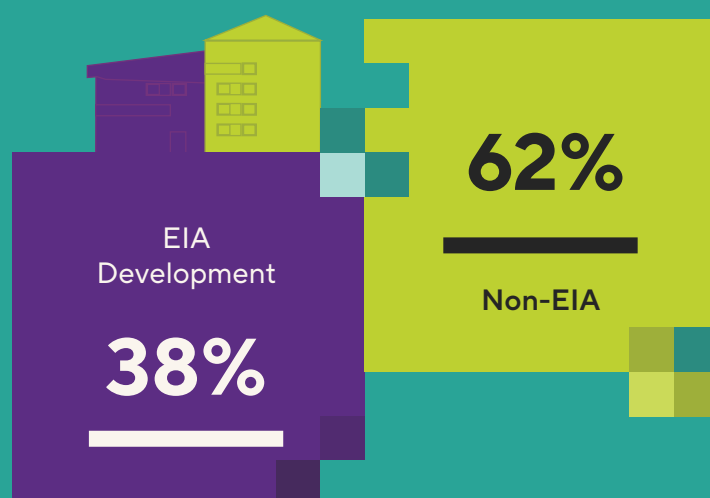
Section 04:

Assessment of Environmental Implications

Assessing Environmental Implications

EIA Development in London

Of the 21 data centre schemes identified within the London pipeline, eight schemes (38%) were subject to Environmental Impact Assessment ('EIA'), while 13 schemes (62%) did not require EIA. The EIA schemes are generally among the larger and more complex proposals, including major campus developments at Southall, Hayes, Silvertown and the proposed East Havering Data Centres Campus.



EIA Development in South East

Of the 35 data centre schemes identified across the South East, 12 schemes (34%) were subject to EIA, whilst the remaining 23 schemes (66%) were not considered EIA development.

Similar to London, the EIA schemes generally comprise some of the largest and most complex proposals within the pipeline. These include major campus developments at South Mimms and the former Mercure Hotel site in Hertsmere, alongside several large-scale schemes within Buckinghamshire's established Iver and Denham data centre cluster.

London and South East

Of the 56 schemes identified across London and the South East, 20 schemes (36%) were subject to EIA, whilst 36 schemes (64%) were not classified as EIA development. The proportion of EIA development is broadly comparable across the two regions, reflecting the diversity of data centre proposals in terms of scale and operational requirements.

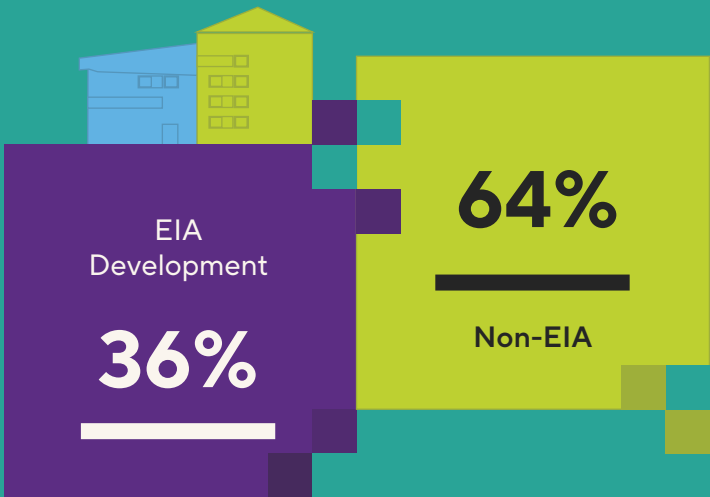
Two-thirds of schemes have progressed without requiring EIA. This reflects the diversity of development within the sector, including the redevelopment of existing employment sites, smaller standalone facilities and proposals that fall below relevant EIA thresholds. As such, whilst the data centre sector is increasingly characterised by strategically significant and infrastructure-intensive developments, the pipeline continues to encompass a broad range of scheme types and scales.

Whether EIA is required will continue to depend on the specific characteristics of a proposal, including the nature and scale of development, site constraints, surrounding land uses and associated infrastructure requirements. The role of the decision-maker in determining whether significant environmental effects are likely to arise remains critical.

As data centres proliferate across the UK, environmental considerations are likely to receive increasing attention. In January 2026, a planning application by Greystoke Land and Altrad UK for a 90MW data centre (and supporting uses) in Iver, Buckinghamshire was successfully challenged because the council unlawfully screened out EIA by relying on unsecured mitigation.

Whilst the full implications will only become clear once the High Court judgment becomes available, the case is likely to influence both the need for EIA and the level of assessment required for future schemes.

More on the evolving EIA landscape for data centre developments can be found in our EIA team’s commentary, *“EIA and Data Centres: Current Practice and Emerging Trends”*.



Implementation and Delivery

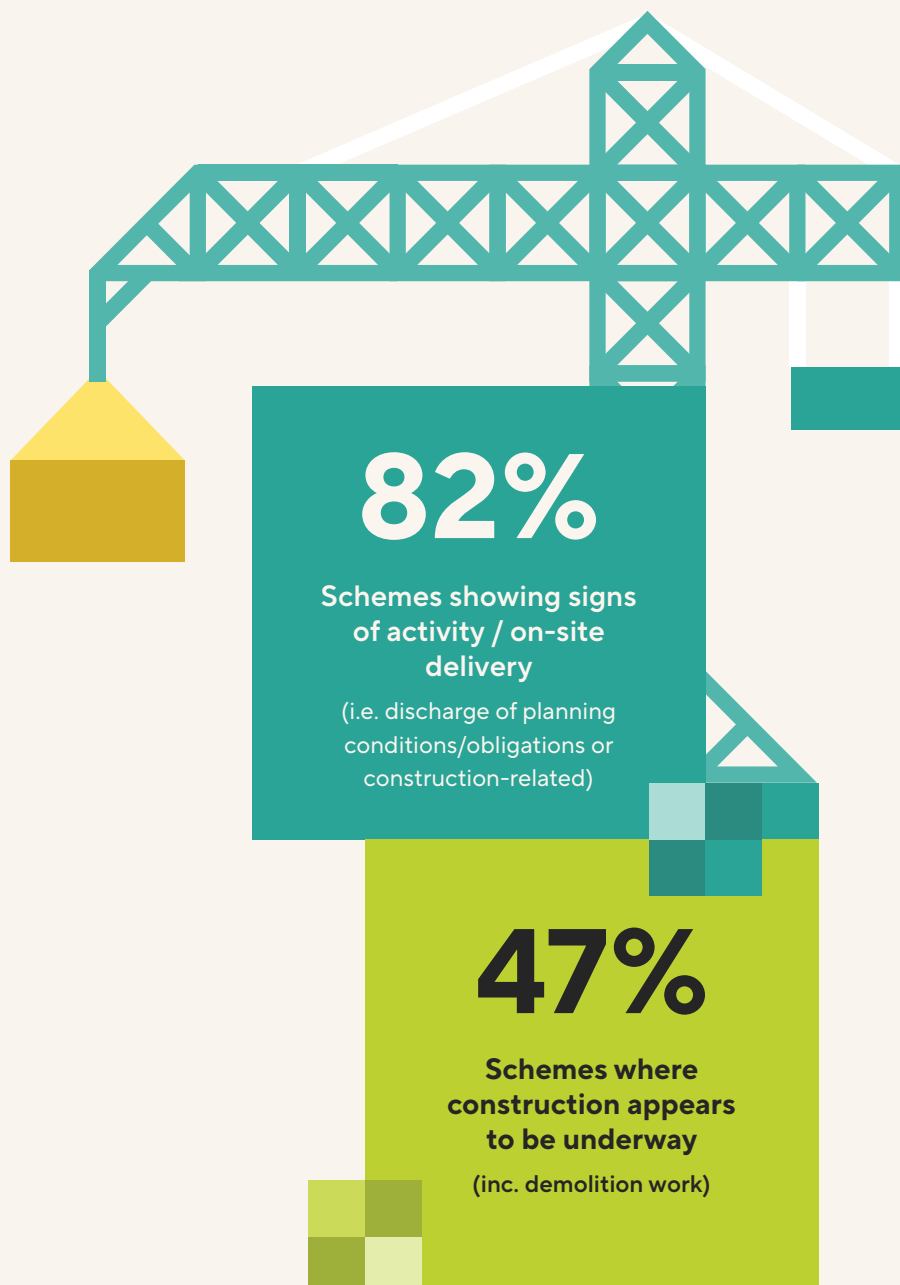


London

As of August 2026, implementation activity across London's approved data centre scheme appears relatively advanced. Of the 17 approved major schemes, evidence of post-permission activity – including the discharge of planning conditions and obligations – has been identified in 82% of cases. Furthermore, 47% of approved schemes show evidence of construction activity having commenced, including site clearance and demolition works.

The comparatively high level of implementation suggests that many approved schemes are progressing towards delivery with greater certainty, reflecting the strong demand, infrastructure investment and strategic importance of data centre development within London.

Whilst over half of approved schemes have yet to progress to visible construction activity, some delay between planning approval and physical delivery is unsurprising given the significant capital investment, power infrastructure requirements and delivery complexities associated with large-scale data centre developments. In addition, many permissions have only been granted relatively recently and are likely to remain at the early stages of implementation.

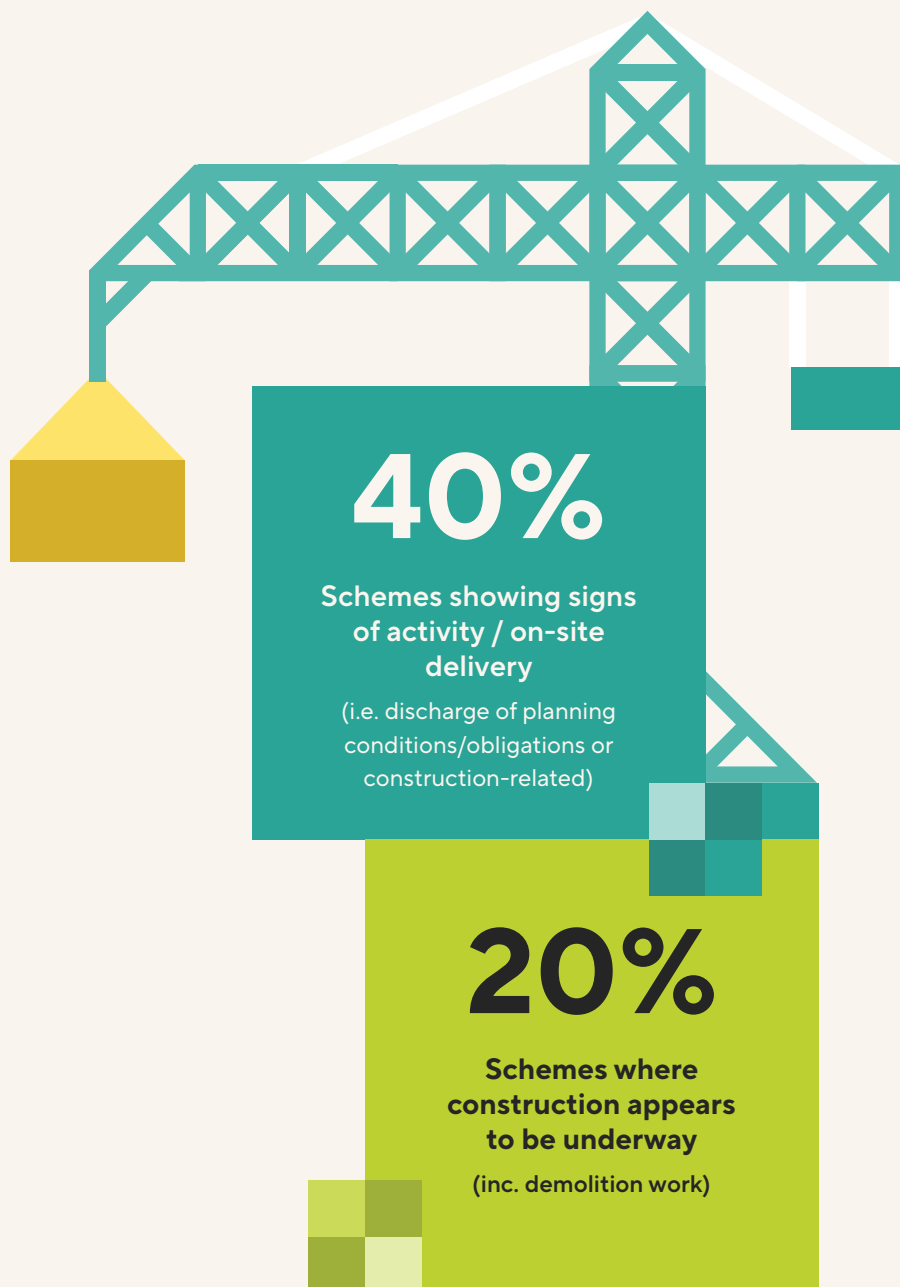


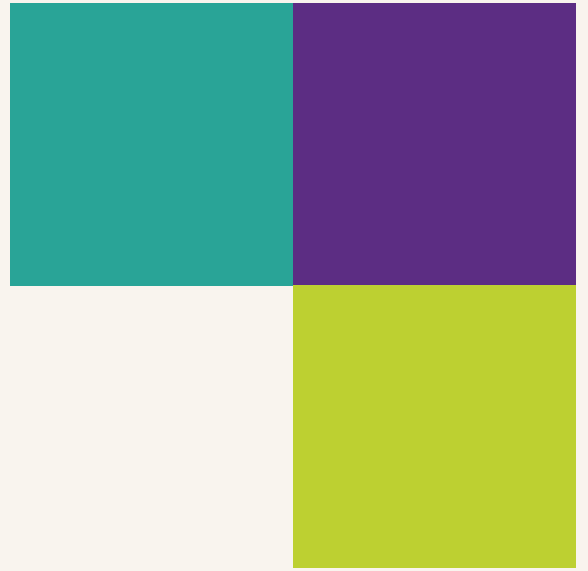
Implementation and Delivery

South East

In the South East, implementation rates appear to be slightly more limited. Of the 25 approved schemes identified, evidence of post-permission activity has been recorded in 40% of cases, whilst only 20% of approved schemes show evidence of construction being underway. As such, approved schemes in the South East currently appear to be progressing at a slower rate.

This may partly reflect the nature of the South East pipeline, nine of which comprise schemes located within the Green Belt or grey belt land. These proposals often require more extensive enabling works including infrastructure provision and utility upgrades before development can commence. Consequently, a longer period between the grant of planning permission and physical delivery may be expected for many of these schemes.





Section 05:

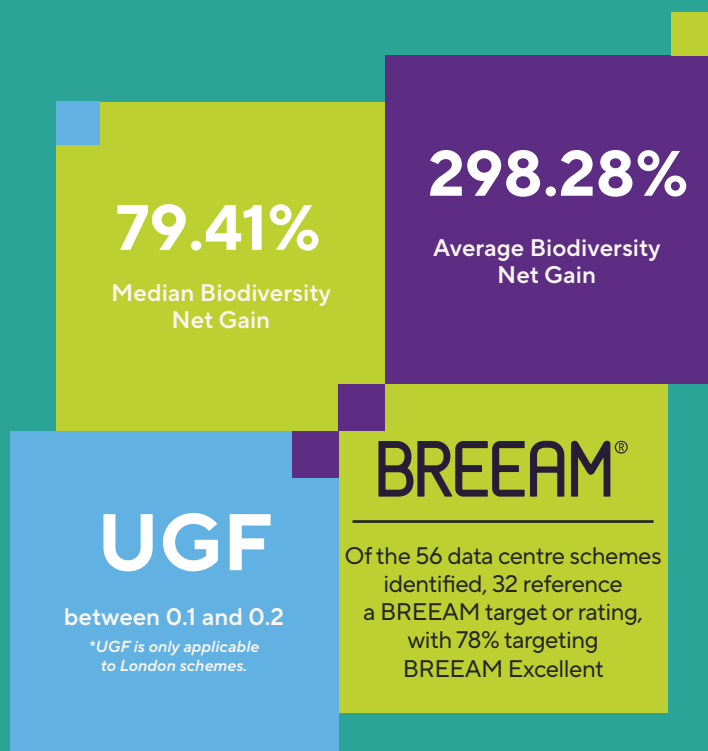
Planning Benefits & Development Opportunities



Planning Benefits and Development Outcomes

As data centres become increasingly important components of the UK's critical digital infrastructure, planning authorities are placing greater emphasis on the environmental, social and economic outcomes associated with new development. Across London and the South East, planning policies and decision-makers are increasingly seeking to ensure that data centre schemes deliver benefits beyond their primary operational function, reflecting the growing scale, visibility and strategic significance of the sector.

Our review demonstrates that data centre developments are already delivering a broad range of planning benefits. From an environmental perspective, schemes are frequently committing to sustainability measures that exceed minimum policy requirements. Across the planning pipeline, all assessed schemes deliver Biodiversity Net Gain above the statutory minimum, with a median Biodiversity Net Gain of 79.41% and an average Biodiversity Net Gain of 298.28%. Within London, schemes also achieve a median Urban Greening Factor of between 0.1 and 0.2, whilst of the 56 schemes reviewed, 32 reference a BREEAM target or rating, with 78% targeting BREEAM Excellent.



Affordable workspace provision overview:

52%

of the schemes provide affordable workspace

48%

of the major applications submitted to London do not provide affordable workspace

Beyond environmental outcomes, planning authorities are increasingly securing measures that support local communities and economic growth. These include skills and training initiatives, education programmes, innovation partnerships, digital inclusion measures and wider employment-focused commitments that help maximise the positive contribution of data centre development to local economies.

Affordable workspace has also emerged as an increasingly important planning consideration, particularly within London. Our research indicates that 52% of major data centre applications provide affordable workspace in some form, whilst 48% do not currently propose affordable workspace provision. The growing prevalence of affordable workspace requirements reflects an emerging policy trend whereby boroughs are seeking to secure wider economic benefits from major employment-generating development.

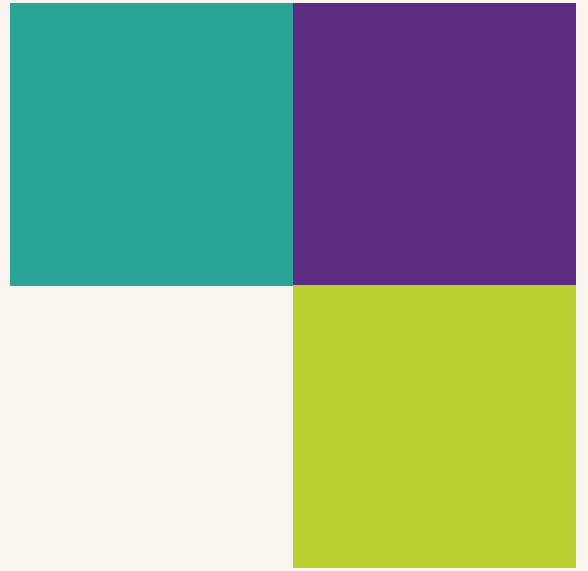
However, the physical and operational characteristics of data centres can present challenges for meaningful on-site affordable workspace provision. Unlike traditional commercial developments, data centres are highly secure, infrastructure-intensive facilities with limited opportunities for integrating smaller business units within operational floorspace. As a result, many schemes are pursuing alternative delivery mechanisms, including off-site provision and financial contributions, enabling affordable workspace objectives to be secured whilst maintaining operational flexibility.

Overall, the evidence suggests that planning authorities are increasingly viewing data centres not solely as digital infrastructure projects, but as developments capable of delivering a broad range of environmental, social and economic outcomes. As planning policy continues to evolve, demonstrating clear planning benefits and positive development outcomes is likely to become an increasingly important component of successful data centre proposals.



Section 06:

Conclusion



Conclusion

The findings of this research highlight the growing importance of data centres as both critical digital infrastructure and a significant planning consideration across London and the South East. Over the past five years, the sector has moved from being a relatively niche development typology to one that is increasingly shaped by national (and international) economic priorities, the rapid growth of artificial intelligence, and the UK's wider digital ambitions. The pipeline identified through this research demonstrates a substantial volume of development activity, with more than 3 million sq m of floorspace either delivered, approved or currently progressing through the planning system across the study area.

Several consistent themes emerge. First, location remains overwhelmingly influenced by infrastructure. Access to power, fibre connectivity, cloud Availability Zones and existing digital ecosystems continues to shape development patterns more strongly than policy designations alone. This is evident in the continued concentration of schemes within West London, Slough, Buckinghamshire and Hertfordshire, as well as the growing prominence of established Availability Zones. Secondly, whilst planning approval rates are generally high, implementation rates vary considerably, reflecting the complexity of securing grid connections, utility upgrades and associated infrastructure investment. Thirdly, a clear tension is emerging between the need to accommodate data centre growth and competing land use priorities, particularly industrial land, housing delivery and strategic employment locations.

The policy response remains relatively immature when compared to the pace of market growth. London is beginning to develop a more strategic approach through the draft London Plan, while local authorities across the South East are only starting to introduce data centre-specific policies. However, many emerging policies focus primarily on managing potential conflicts rather than proactively planning for future growth. There is a risk that increasingly restrictive approaches could constrain delivery within the very locations where demand and infrastructure capacity are strongest.

Looking ahead, there is a strong case for a more co-ordinated policy framework. At the regional and local level, the emerging London Plan and South East local plans could move towards identifying preferred growth locations where power, connectivity and environmental capacity align. Policies should recognise the distinctive characteristics of data centres, rather than assessing them solely through traditional industrial or employment land frameworks and indeed greater direct engagement with the market is encouraged in terms of developers, investors and operators to ensure planning attempts to keep up with this rapidly evolving typology.

Ultimately, the evidence suggests that demand for data centre development will continue to increase significantly over the coming decades, driven by accelerating digitalisation, cloud computing and the growth of artificial intelligence. The challenge for policymakers will be to establish planning frameworks that provide certainty for investment whilst ensuring that growth is delivered in the right locations, supported by the right infrastructure and capable of contributing positively to wider economic, environmental and spatial objectives.

In this regard, the direction of travel established through the National Planning Policy Framework and the UK Industrial Strategy is particularly significant, with both recognising the importance of critical digital infrastructure in supporting national productivity, innovation and economic growth. Future planning policy at national, regional and local levels will therefore need to strike an appropriate balance between facilitating the delivery of this nationally important infrastructure and managing its impacts, ensuring that the substantial opportunities associated with the sector can be realised whilst supporting wider placemaking, environmental and community objectives.



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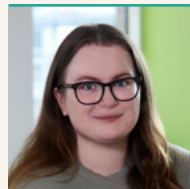
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