



FUTURE SPACE

REPORT 2026

Occupier findings

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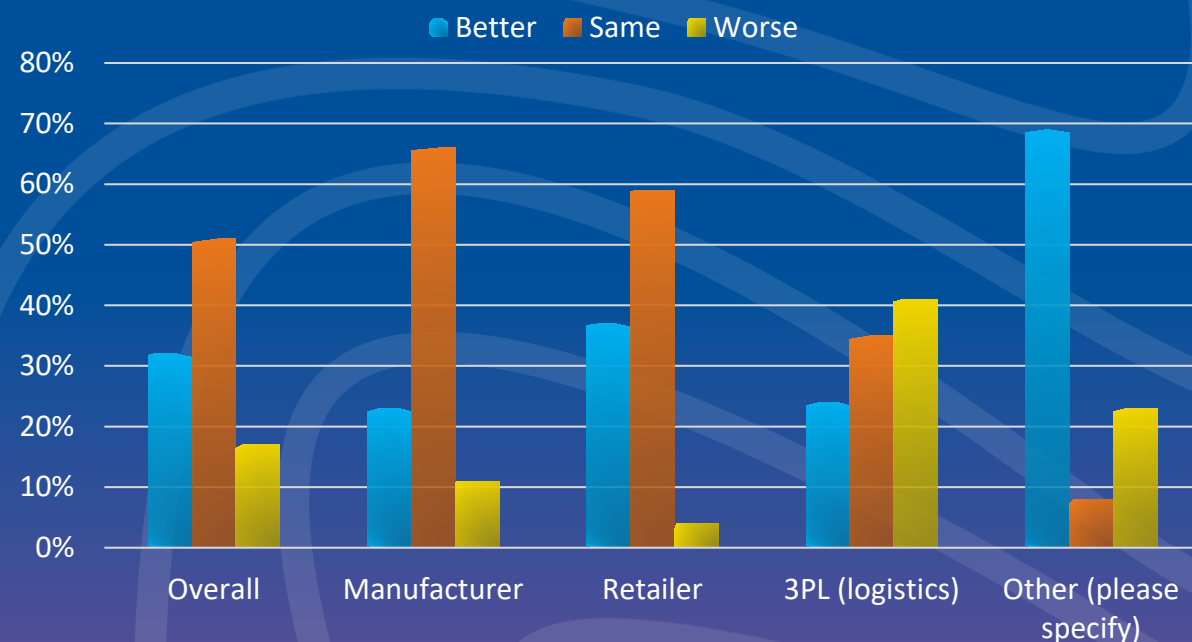


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Introduction

How do you view current business conditions versus twelve months ago?

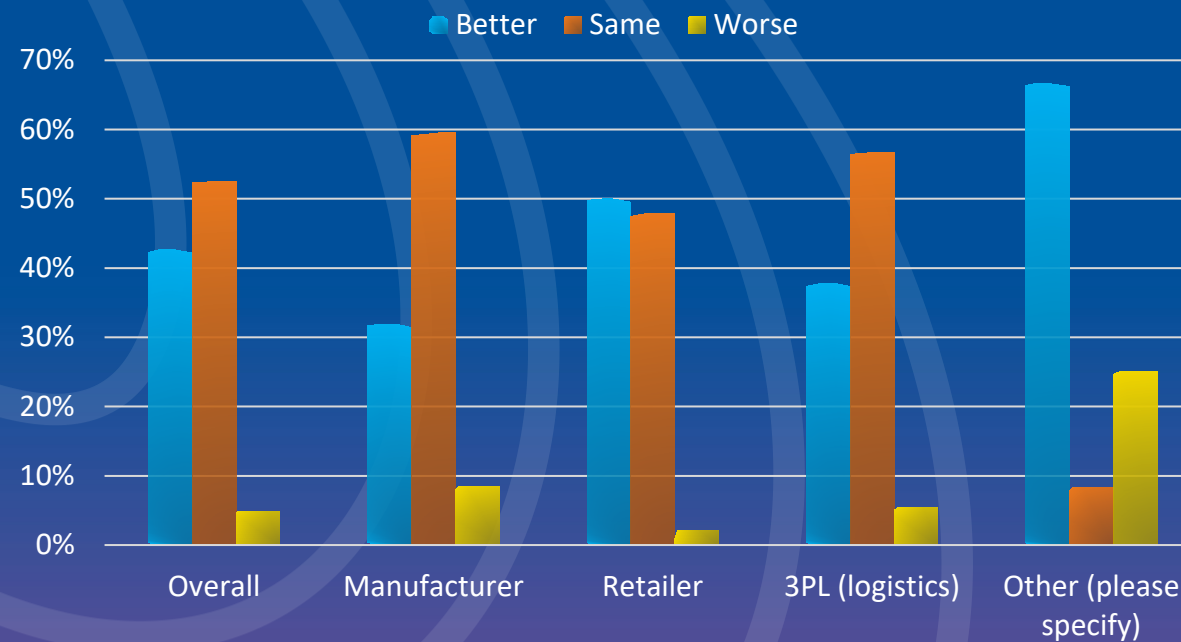


Source: Savills & Tritax Big Box Future Space supported by Analytiqa

Welcome to the 9th annual Future Space report from Tritax Big Box and Savills, conducted by research partner Analytiqa. This report canvases the views of occupiers, investors and developers on the key trends and topics shaping the Industrial and Logistics market over the next 12 – 36 months, and beyond.

The survey, conducted in the final quarter of 2025, drew 382 responses, providing a robust data set. Occupiers accounted for 47% of responses, with the remaining 53% split between investors, developers and other key industry players. Our occupier sample comprises a range of sectors – from automotive and grocery to parcel delivery, manufacturers and online-only retailers – giving us a broad view of the industry.

How do you see business conditions over the next twelve months?



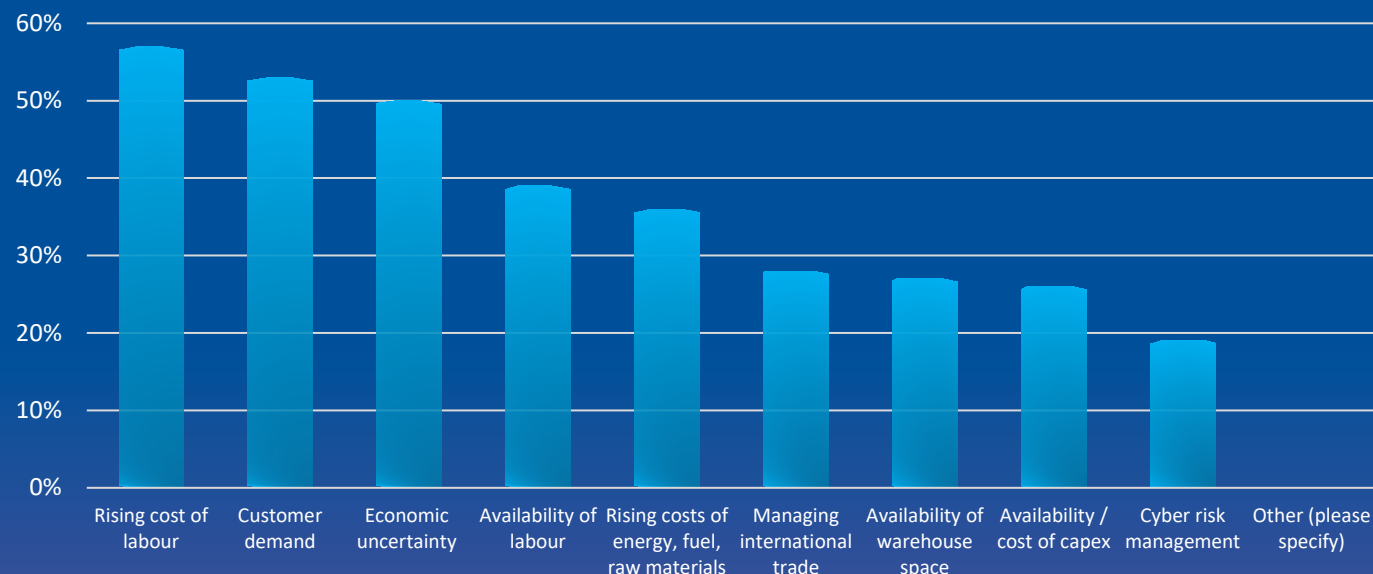
Source: Savills & Tritax Big Box Future Space supported by Analytiqa

Our survey found that 32% of occupiers felt business conditions were better than they had been twelve months ago, and 51% reported that conditions were the same. Occupiers are slightly more optimistic about the future, with 43% expecting business conditions to be better over the next twelve months and only 5% expecting them to be worse. This forward-looking view suggests that uncertainty created by the late budget is abating.

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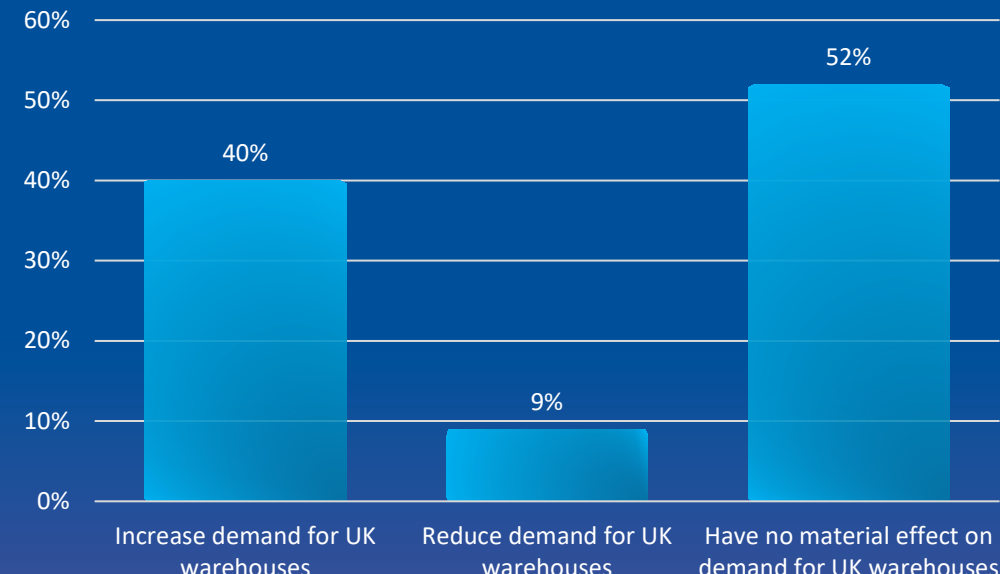
Occupiers: Market conditions

What are the key factors impacting your business at the moment?



Source: Savills & Tritax Big Box Future Space supported by Analytica

Over the next 12 months, do you expect global tariffs to (Pick one):



Source: Savills & Tritax Big Box Future Space supported by Analytica

Despite facing varied challenges, occupiers are set for expansion in 2026

47% of occupiers expect to take more space over the next 12 months, rising to almost two-thirds (64%) over the next three years. Logistics occupiers (78%) were the most likely to state an intention to expand their footprint, with their demand focused on existing units. Retailers (59%) and Manufacturers (52%) tend to be slightly more conservative, with retailers focused on acquiring build-to-suit space.

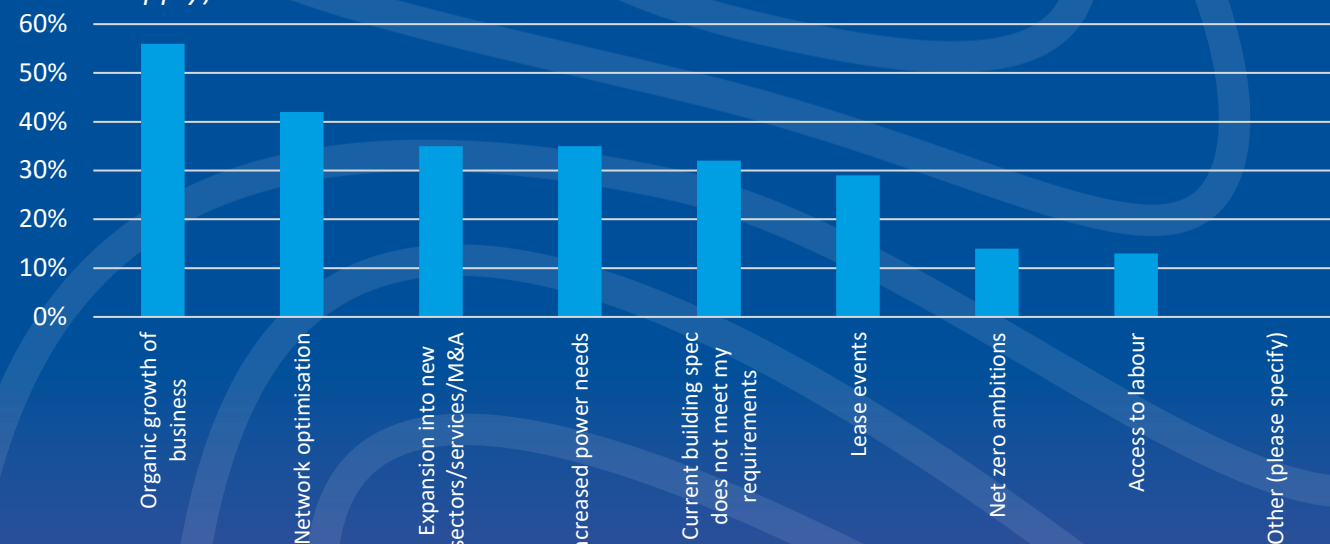
Crucially, all three occupier types were more likely to expect to take more space than they did in our 2025 census, suggesting that market conditions are improving. Despite the uncertainty the Trump administration's tariffs generated in financial markets, only 28% of occupiers listed managing international trade as a concern. Most occupiers consider tariffs as positive or neutral for UK warehouse demand.

Half (52%) believe that tariffs will have no material impact on demand, and 40% believe they will increase demand for UK warehouses. 42% of manufacturers said they are considering near- or on-shoring some part of their supply chain.

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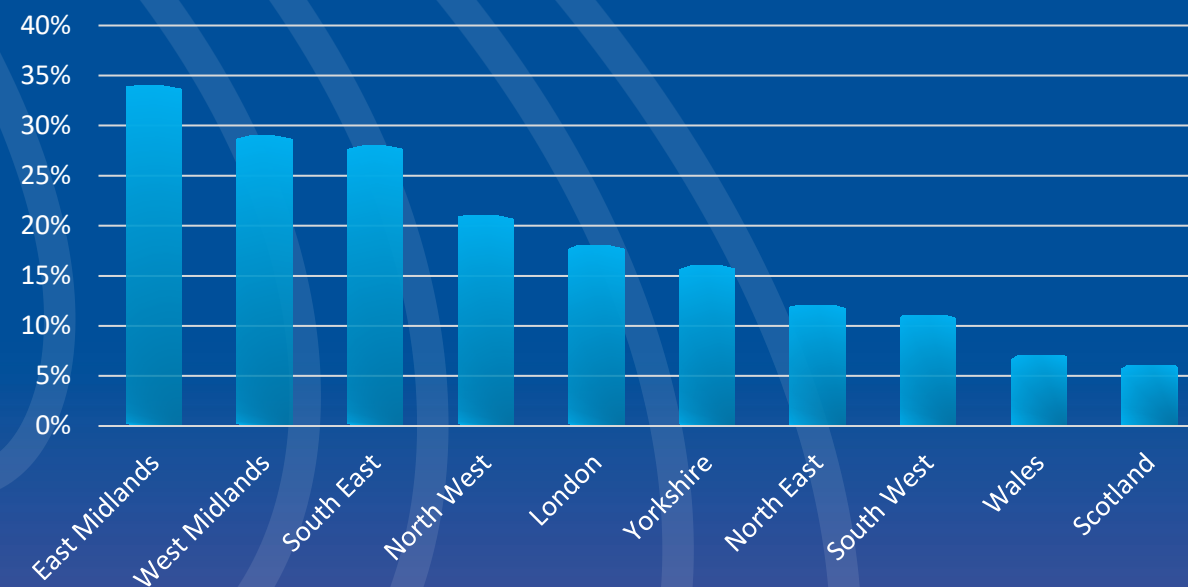
Occupiers: Demand drivers

What are the key factors that influence a decision to take new warehouse space? (Select all that apply)



Source: Savills & Tritax Big Box Future Space supported by Analytica

When considering new buildings, what regions will you be targeting? (Select all that apply):



Source: Savills & Tritax Big Box Future Space supported by Analytica

A fall in excess capacity may drive take-up growth

Rising demand aligns with what Savills has observed in 2025, with take-up totalling 33.6 million sq ft, a 15% year-on-year increase. This was 6% higher than the pre-pandemic average. Notably, in terms of the specification, 32% of occupiers are targeting build-to-suit (BTS).

One possible driver of this increase in demand is that occupiers' excess network capacity is showing a clear downward trend. Comparing against last year's census, the number of occupiers with excess space of more than 15% of their footprint has fallen from 20% to 11% over the last 12 months. Meanwhile, the share of occupiers with less than 5% excess capacity has increased from 40% to 48%.

Our analysis shows that occupier demand will continue to focus on the East (31%) and West Midlands (29%), with the share of occupiers targeting these regions growing since 2024. The South East, which saw lacklustre take-up in 2025, has seen the share of occupiers targeting the region fall slightly (from 31% to 28%). London appears to be set for an increase in demand, with 18% of occupiers targeting the region.

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Occupiers: Challenges necessitate adaptation

Occupiers face three pressing challenges over the longer term: net-zero, power and labour.

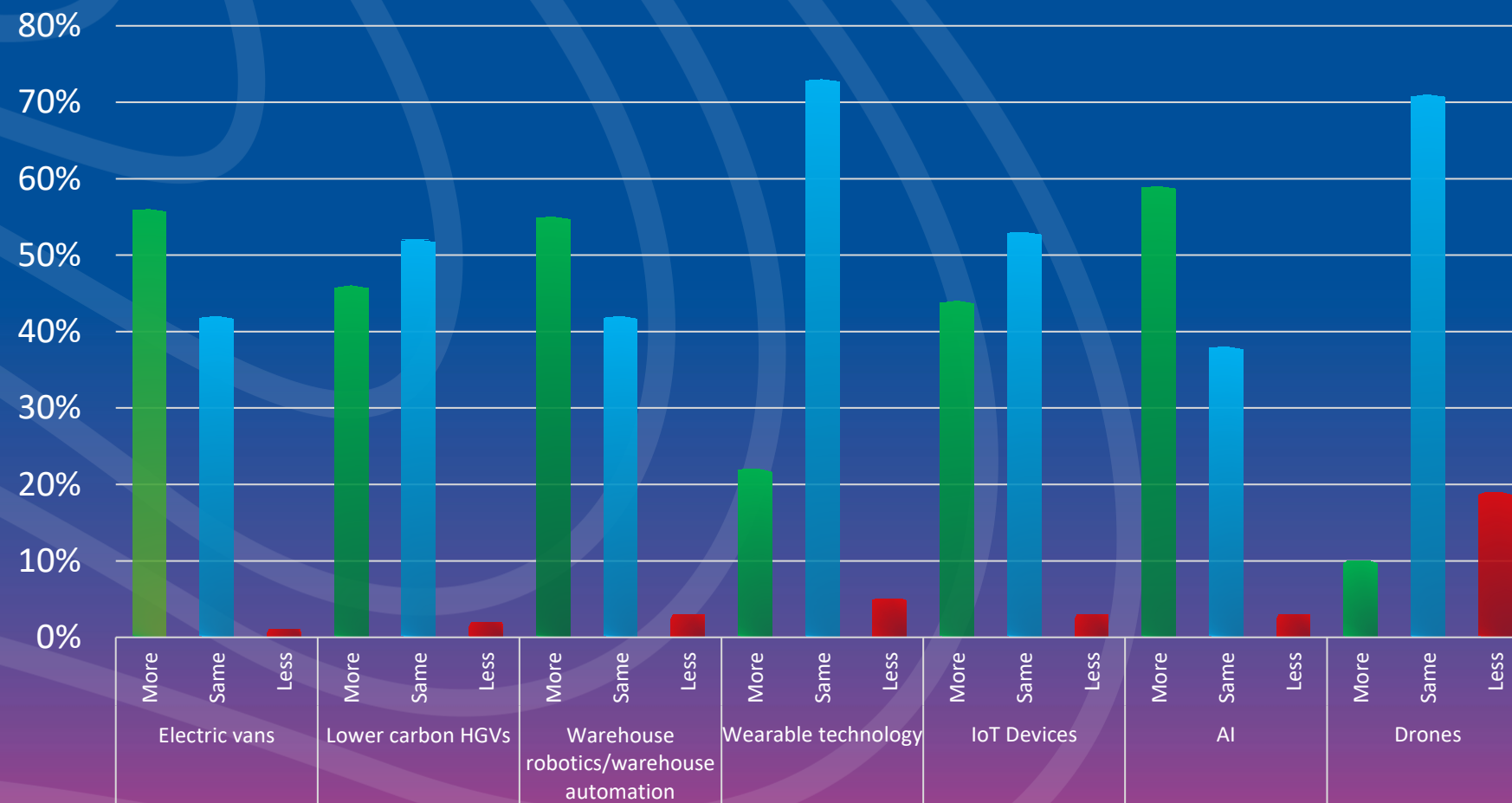
Emerging from the census are three challenges that will influence future real estate strategies over the next 10-15 years: achieving net-zero, securing sufficient power, and adapting to changing labour needs.

When asked if they could achieve net-zero within their current footprints, two-thirds of occupiers said they could not. Somewhat paradoxically, when asked about what would drive them to take new space, only 14% of occupiers listed meeting their net-zero requirements as a reason.

A possible explanation for this is timelines: only 38% expect to hit net-zero by 2035. A further 43% plan to hit net-zero by 2040, suggesting that many expect that, over the next decade and a half, lease events will provide an opportunity to improve sustainability credentials to meet these targets. A further challenge is the complexity of decarbonising transport, with implications for logistics, real estate in terms of power requirements, yard layouts, dwell times, traffic density to arterial roads, and, consequently, planning.

With that said, growing power needs may push occupiers to make this transition sooner rather than later. When asked, 82% of occupiers said their power needs will grow over the next three years. Notably, 36% listed power as a barrier to securing space, up from 11% in 2023 and 7% in 2022. Demand for energy-intensive technology is an obvious cause. Occupiers intend to invest more in AI (59%), electric vans (56%) and warehouse robotics/warehouse automation (55%).

What are your company's plans in relation to the following technologies? (Pick one answer in each category):



Source: Savills & Tritax Big Box Future Space supported by Analytiqa

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Occupiers: Challenges necessitate adaptation (continued)

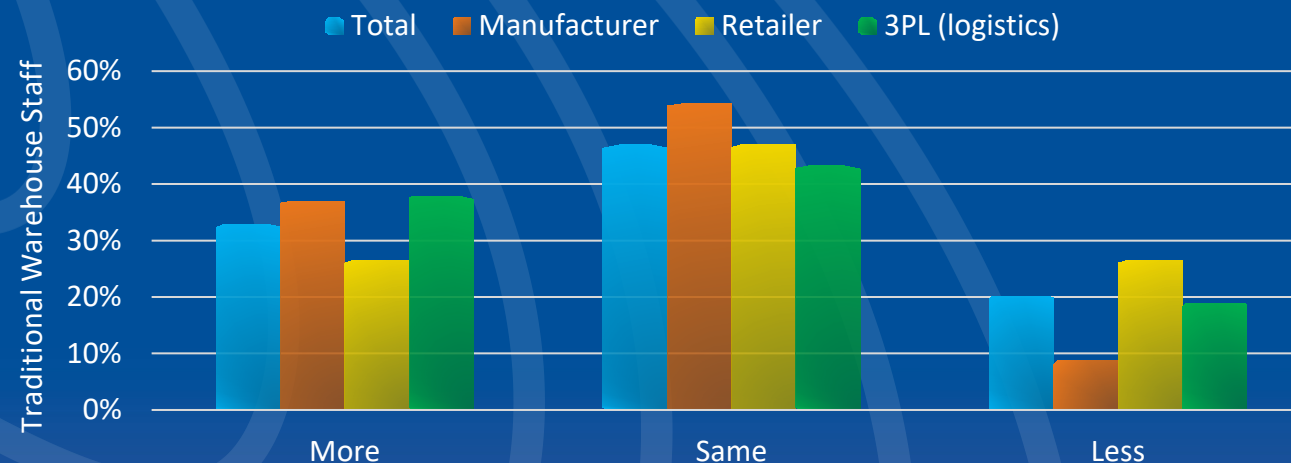
The impact of technology is also being felt in how occupiers are planning their long-term labour strategies: 60% of occupiers expect to grow their workforce over the next three years.

In terms of the skillsets needed in modern warehouses, we are seeing a shift in demand towards a broader skills mix: 56% expect to hire more technicians and skilled labour. We do not expect this to lead to a reduction in demand for traditional warehouse employees. 33% of occupiers intend to grow this category over the next three years, while 47% expect to maintain current levels. This suggests that even as warehouse operations become more sophisticated through technology adoption, warehouse employment creates opportunities across all skill levels.

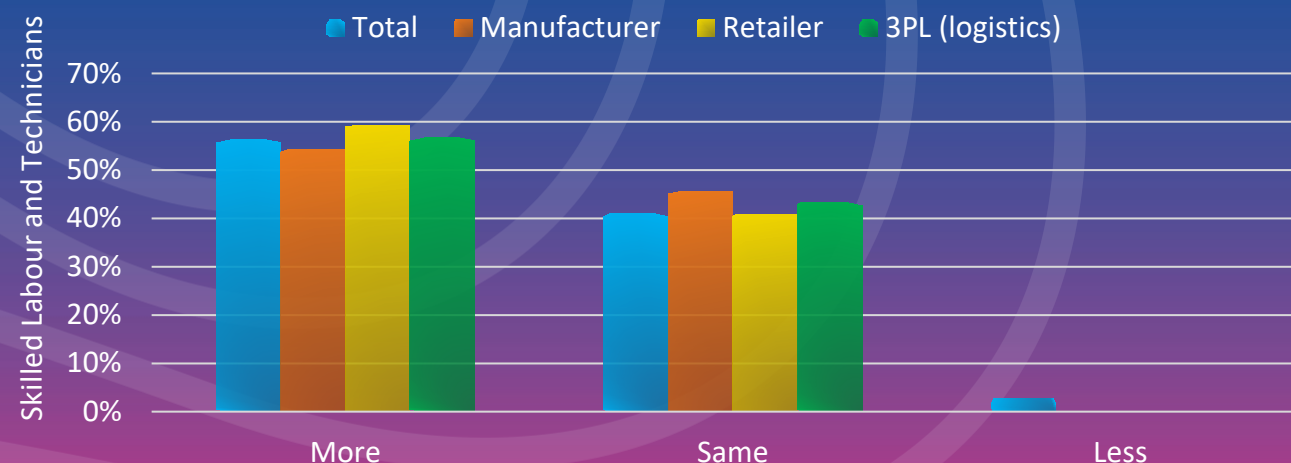
Traditionally, we would equate a growing workforce with increased demand for industrial and logistics space; however, given the increase in automation and more skilled labour, it is likely that changes in demand may not follow historical patterns.

What is clear is that these trends in aggregate will drive occupiers towards best-in-class, Grade-A stock as they look to their logistics real estate as a solution to these pressing issues.

How do you expect your labour force to evolve over the next three years?



Source: Savills & Tritax Big Box Future Space supported by Analytica



Source: Savills & Tritax Big Box Future Space supported by Analytica

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Key takeaways

INSIGHT 1:

MORE OPTIMISTIC ABOUT BUSINESS CONDITIONS OVER THE NEXT 12 MONTHS

Occupiers are more optimistic about the next twelve months, with 47% expecting to take more space in the next twelve months and 48% having less than 5% excess capacity in their current footprints

INSIGHT 2:

OCCUPIERS WILL NEED TO MODERNISE THEIR PORTFOLIOS TO MEET THEIR NET ZERO GOALS

While very few occupiers said they would take new space to meet their net-zero ambitions, the vast majority acknowledge they will be unable to reach net-zero in their current property footprint. This will drive demand for new ESG rated stock

INSIGHT 3:

TECHNOLOGY ADOPTION WILL DRIVE A CHANGING MIX IN LABOUR

While most occupiers expect to retain the same number of traditional warehouse employees, growing tech ambitions are driving a need for technicians and skilled labour



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