

London's Flex Market 2025 report

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Executive Summary



Connectivity
Public transport connectivity remains a key factor in the perceived best location for an office with 84% of respondents stating that public transport was important in their ideal workspace.



Commuting
The length of commute is another important factor in office workers' ideal workspace, reflected in the average desired commute time of 34 minutes. This demonstrates the need for business owners to prioritise strategic office locations that facilitate an easier commute.



Wellbeing in the Workplace
We saw a strong correlation between the best office spaces and the happiness of workers, with a 70% happiness rating for workers who described their office space as very good, the highest quality ranking on our scale.



Coffee and lunch habits
A key part of any office amenity offer will relate to food and drink options, and our survey revealed that the availability of high-quality coffee is important to office workers, with 87% of respondents drinking coffee whilst in the office.



Office effectiveness
The elements that impact the performance of an employee in the office are varied and our survey revealed that 86% of respondents stated the quality of Wi-Fi was the most important factor in an office workers ideal workplace.



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Introduction

Welcome to Workthere and Great Portland Estates (GPE) “London’s Flex Market” 2025 report. Understanding and prioritising the needs of office workers is essential to developing tailored solutions for customers’ office requirements. That is why Workthere, Savills flexible office consultancy, and GPE, one of London’s leading commercial property companies and providers of Fully Managed office space, commissioned this survey. This report analyses the findings of that survey, whereby London-based office workers were asked a series of questions on their thoughts and views of their office space.

2,000 office workers were surveyed and the respondents were based solely in London. The survey comprised 30 questions which have been analysed and reviewed under key themes covering location preferences, commuting, office effectiveness and productivity, happiness, and lunch and coffee habits.

A clear trend that has been evident across the office market is the ongoing ‘flight to quality’. Businesses are seeking premium space, strongly driven by the need to attract and retain talent, as well as enticing staff back to the office.

This has supported demand in both the conventional and flexible office market, with on average over the last three years, 91% of space let within central London office market being Grade A standard. In the flexible office market, operators and landlords are responding to these changing customer preferences. Workthere’s Tom Leahy outlines that “Flexible office providers are at the ‘hospitality’ end of the office market and positioned well to provide an attractive and malleable working environment to help businesses engage with modern working patterns.”

The flexible market continues to evolve with a variety of products available for customers ranging from co-working, a desk in a shared environment; serviced space, an office in a shared environment; and managed space, a self-contained space including all facilities. The diverse offering from the sector is evidence of growing occupational demand, as is the number of flexible office locations opening, with the historic separation of the flexible and conventional markets increasingly narrowing.

Location - Connectivity Remains Key

Connectivity continues to be a key ingredient in the perceived best location for an office. This was evident from the survey with the top desired locations consisting of those containing major London rail terminals located in the City, Southwark, King’s Cross and the West End. Workthere’s Dan Brown outlines that “The top results follow the trend we are seeing in central London, with a focus on train stations alongside the West End as the centres of the core London office markets. Although not including a main terminal, the West End continues to be a huge draw for businesses, due to its extensive amenity and excellent transport links in any direction.” This theme was demonstrated by the survey where 22% of the respondents stated that the West End was the best location to socialise after work which was the highest proportion for any submarket.

A ‘satisfaction gap’ has been calculated to uncover where there is the greatest mismatch in workers preferred location and where they are actually based. All central London locations had a positive satisfaction gap of over 10%, with all locations Zone 2 and beyond having negative results. The positive satisfaction gap indicates there is pent up demand in those locations, providing an opportunity for flex providers to capitalise on this imbalance. Furthermore, there is a significant lack of conventional office supply across central London, with vacancy rates for City Grade A Towers and the West End core at 2.1% and 3.5% respectively (Source: Workthere). Conversely, those submarkets located outside of Zone 1 had a negative satisfaction gap, highlighting that central London is still the preferred location for London office workers.

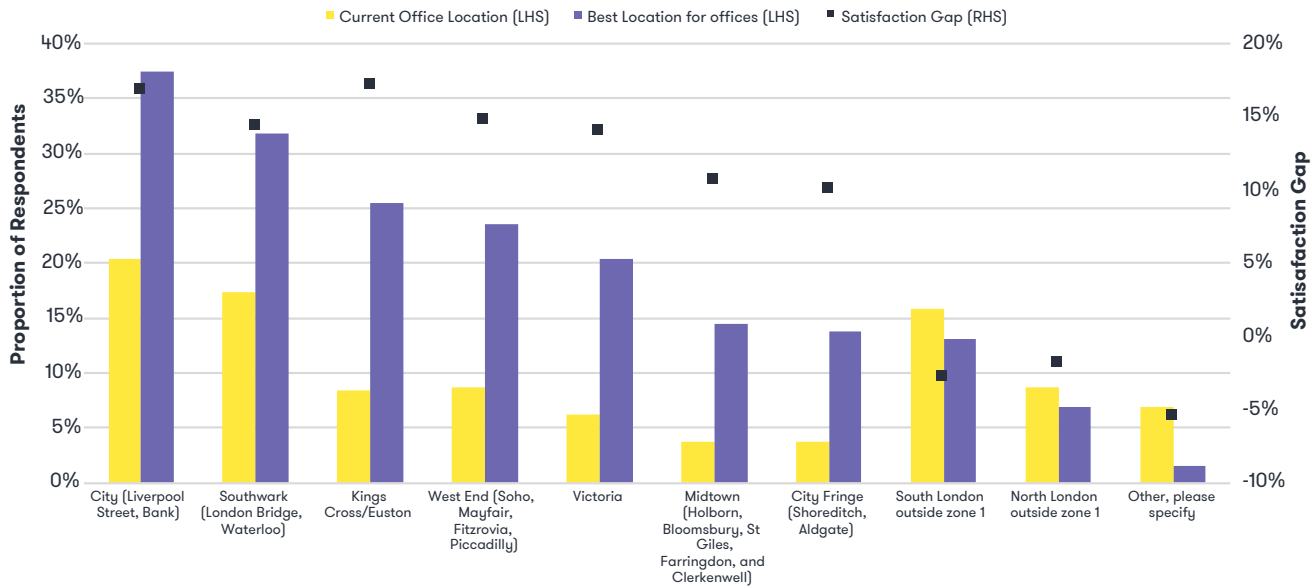
These location trends are informing the strategies of flexible office providers, with GPE’s Nick Sanderson, Chief Finance and Operations Officer, outlining that:

“Our leasing activity remains strong, with high levels of active demand from customers looking for premium space in central London, and that’s exactly what we are delivering to the market. We are seeing our unique Fully Managed offer as the default choice for corporates and fast growing companies alike with sub-5,000 square feet office needs.”



Nick Sanderson
Chief Finance & Operations Officer, GPE

Office Location Compared to Perceived Best Office Locations



1.06 million sq ft

acquired by flex operators across the UK in 2024 - highest total since the Covid-19 pandemic (Source: Workthere). GPE’s Flex offer is now 582,000 sq ft, around 25% of its office portfolio.

Commuting

The rise in hybrid working across the office market has led to the notion that the office needs to “earn the commute.” A mixture of home and office working patterns requires companies to go above and beyond to provide workers, not only with an experience that working from home lacks, but specifically a desirable location and the easiest commute possible. We see the flexible office market continuing to respond to this, with Simon Preece, Commercial Research at Savills, adding “Flexible office providers accounted for 678,000 sq ft of central London office space take up in 2024 with the vast majority of these locations being highly accessible for commuters via the UK’s main trainlines and London’s Underground network”.

Two of the top three factors of the highest importance to workers in their ideal workspace relate to their commute (across all ages and employee levels). The average commute time currently sits at 47 minutes, whereas the desired average commute time for the survey respondents is 34 minutes. Across all age groups and employee levels, there was a consensus that the ideal maximum time spent travelling from the mode of transport to the

office is 10.5 minutes, which closely aligns with the actual average. The survey results indicate that workers are happiest with a maximum commute time of 31 to 45 minutes, with happiness levels decreasing as commutes lengthen.

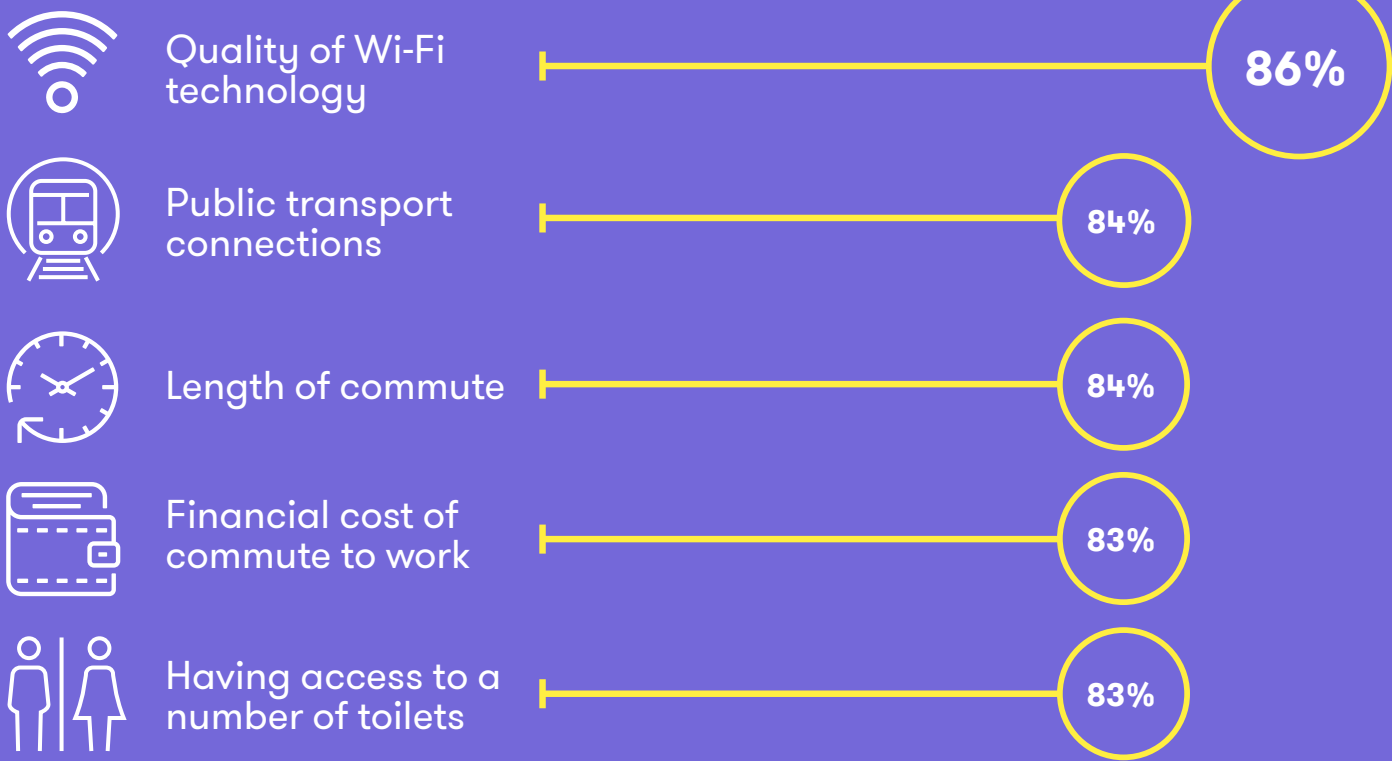
“We recognise that office location is key, with close proximity to public transport a must. Accordingly we only operate in prime central London locations with 94% of our portfolio within walking distance to an Elizabeth Line station.”



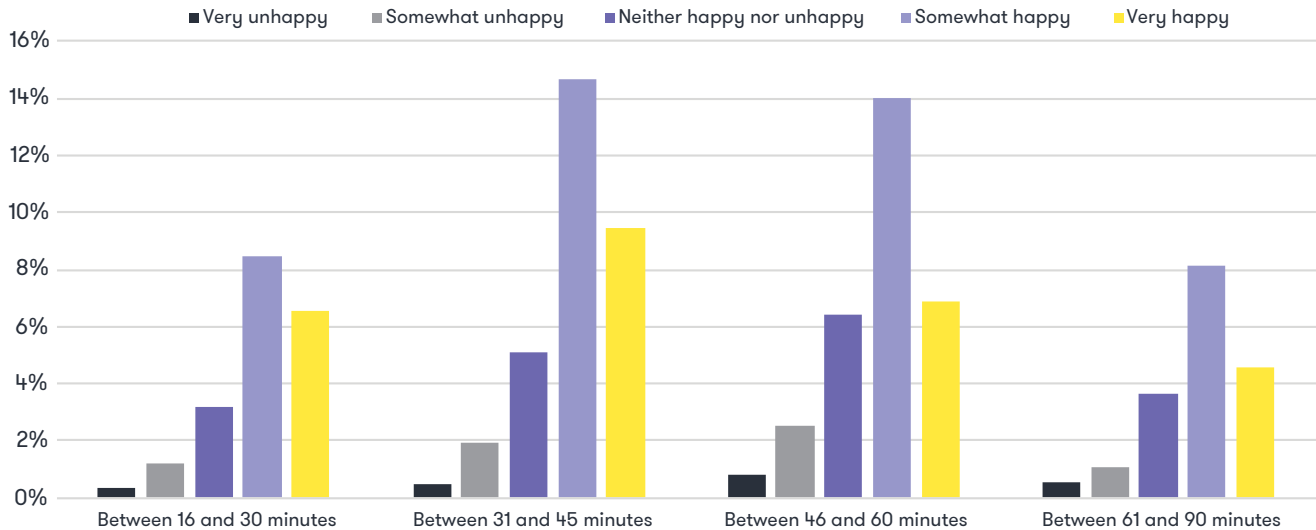
Simon Rowley
Director of Flex Workspaces,
GPE



Top 5 Factors in an Office Worker’s Ideal Workplace



Happiness Levels (%) in Relation to the Length of Commute



Public transport connectivity remains key for office workers, with 84% reporting it as a top factor in creating an ideal workplace, the second highest factor overall in the survey. Location is key, but so is the provision of various commuting options and services that facilitate efficient and accessible travel within the city, which was highlighted in the survey when workers were asked about Transport for London (TfL) tube lines.

The Elizabeth Line is viewed as the best to travel on, owing to its faster travel times and higher levels of comfort. According to TfL, over 500 million journeys have been taken on the Elizabeth Line in the first two years of its operation, making it the busiest railway service across

the UK. In contrast, the Central Line, which overlaps with major stops on the Elizabeth Line, was in general viewed as the least preferred line to travel on. With workers wanting the quickest and easiest transportation possible, together with a short walk on reaching their destination, flexible office spaces need to be in close proximity to reliable and comfortable public transport connections.

Business owners must prioritise strategic locations near reliable and comfortable public transport connections in commuter hubs. This, alongside the packages that flexible office spaces provide, can significantly boost worker satisfaction.



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Office Effectiveness & Productivity

Business owners and leadership teams have long sought to increase productivity. The ongoing improvements in amenity and workplace design across the flexible office market have been created with expectation of positively impacting employee performance. The survey revealed that 66% of respondents rated their office space as either “good” or “very good”. There was, however, a notable difference for this metric when reviewing the level of seniority of the respondents. Only 55% of early career professionals viewed their office space in the aforementioned gradings, whereas this increased to 81% for those respondents in a senior leadership role. The difference highlights the changing standards and expectations of office space from less experienced staff.

Post-pandemic, flexible working has become the norm, with 80% of respondents stating that their company had a hybrid working policy. On average, the respondents were required to attend the office three days a week. Notably, 31% of respondents were required to be in less than three days a week. However at a senior management level, sentiment on flexible working policies appears to be changing with an increasing number of businesses seeking to increase employee attendance. The [KPMG 2024 CEO Outlook survey](#) revealed that 83% of respondents from that survey, expected a full return to the office within the next three years.

The survey revealed that the highest single factor for going into the office was for collaborative work, with 26% of respondents agreeing. The survey also revealed that 56% of hybrid workers feel isolated from their colleagues when working from home, this proportion rises to 63% for 18-24 year olds. This should be a concern for senior management, as employee loneliness may undermine efforts to build a positive workplace culture. Rising levels of isolation can also negatively affect overall morale.

Interestingly, whilst only 36% of respondents believed that their own performance improved in the office, 50% of respondents rated their colleague’s performance in the office as either “better” or “significantly better” than working from home. A potential rise in sentiment of distrust amongst the workforce could impact staff attraction and retention. Conversely, the improved levels of perceived colleague performance in the office could be viewed as symptomatic of the benefit of providing purpose built collaboration space, to aid team performance. This view is further supported by 48% of respondents stating that workplace culture had improved since the pandemic with this sentiment rising to 60% for the 25-34 year old age group.

“Increasingly customers of flex office space are requiring multiple break out areas and meeting rooms that can foster a collaborative environment for employees.”



Dan Brown
Co-Head of
Workthere UK

Workplace Priorities Across Levels of Seniority

The variables that impact the performance of an employee in the office are varied and the survey has sought to identify what factors in an ideal workspace are most important to office workers. Overall, the quality of the Wi-Fi technology was the most important factor, highlighting the importance of infrastructure provision into new spaces. The next three most important factors are all linked to the location of the building which we have explored in the location and commuting sections.

As highlighted earlier in this report, there is a clear disconnect between senior leadership and early-career employees regarding views on office space. This trend was further evident regarding an office worker’s ideal workspace. There was a general trend of more senior staff valuing amenities higher than less experienced staff. Overall there were 12 variables that senior leadership respondents valued as more important than early career employees’ respondents. The largest disconnect was the external design of the building, senior leadership gave this variable a net importance of 74% compared to early career employees giving it a rating of 43%. Interestingly, there were only three variables that were more important to early career employees’ roles. The variables which had the smallest difference in terms of importance contained four of the five overall most important variables in an ideal workspace (see page 6). For example, quality of wi-fi technology was rated with a net importance of 85% for senior leadership, and 87% for early career employees. There is consensus on the top factors that contribute to an ‘ideal’ workspace.

Business leaders need to understand the needs of their less experienced staff when relocating to new premises. Operators and providers of flex space can help reconcile any potential differences by undertaking customer satisfaction surveys. These can inform senior leadership teams on their optimum real estate strategy to align with the needs of their staff. Workthere carried out satisfaction surveys on behalf of a number of central London Landlords offering Managed space, and found satisfaction rates of over 9/10 for cleanliness, internet speed and customer service quality.

It is apparent that making an office space easily accessible and desirable fuels the satisfaction, and attendance, of office workers in central London. As a result, businesses must acknowledge this shift and adapt their office strategies accordingly. To achieve the best outcomes, many are turning to flexible office providers to help create environments that meet employee expectations.

However, as part of this study we wished to explore further the typically less considered elements of the conversation around workers. How happy are they? And do they enjoy the community inherent in being in the same place at the same time, working for the same goal? And how does food and drink, coffee specifically, factor in workers overall satisfaction?

“We meet with our customers frequently to gather their feedback and to understand from them, how we can help their company thrive. One of the common themes is that while many of them would like to see their staff in the office more, it wouldn’t align with their culture to dictate a more structured policy. It is therefore a requirement that we provide office amenity, facilities and a ‘vibe’ that acts like a magnet to draw people into the office naturally. That seems to work well for our customers, for their teams and for us, so it’s a win all round.”



Rebecca Bradley
Director of Customer
Experience &
Relationships, GPE



GPE, Alfred Place

Wellbeing in the Workplace

Typically only surpassed by the time we spend at home, the office is a large part of most workers lives, even those who work in a hybrid manner, and thus plays a key role in the overall happiness of workers.

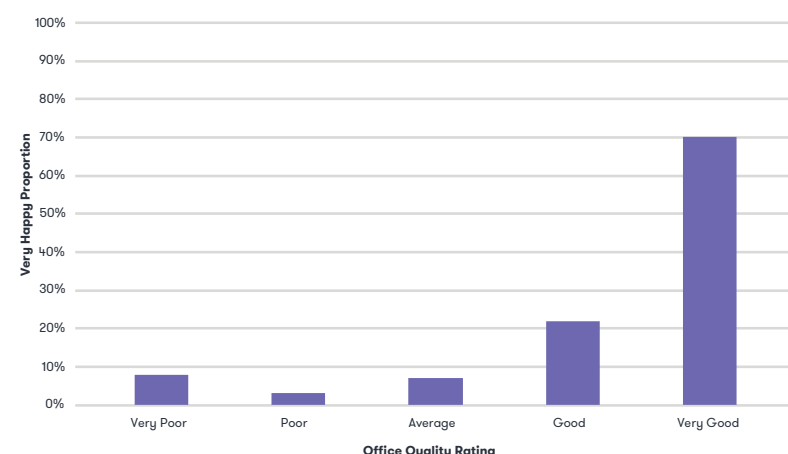
We have already learned that there is a direct link between the commute and happiness of workers earlier in this report, more than 80% of workers considering the proximity of public transport connections and the length of the commute as important factors in their ideal workspace. This section reviews the impact the workplace environment has on a respondent's happiness.

Our results show that there is a strong correlation between the best offices spaces and the happiness of workers. Specifically, a 70% happiness rating for workers who described their office space as very good, the highest quality ranking on our scale.

This declines rapidly when looking at less prime spaces. All office spaces rated average or below had fewer than 10% of users reporting they were very happy. Business leaders will be

concerned with these statistics as only 23% of the respondents rated their office space as "very good" which indicates that the majority of respondents are not "very happy" when they are in the office. The impact the office can have on embedding a positive culture and contributing to a happy work experience is notable from the chart below. Operators of flex space can provide workplaces of the highest quality to help cultivate positive workplace culture and satisfaction.

Office Quality and Satisfaction



"GPE's offering is continuing to evolve to meet this demand, providing amenities like exercise classes, healthy treats and a buzzing events calendar; all designed to keep our customers engaged. For Flex landlords and operators, the formula is simple: an exceptional workspace experience leads to engaged employees and satisfied customers, which in turn drives higher rents and stronger retention."



Anthony Osho
Fully Managed
Customer Retention
Lead at GPE

This trend is helping to support the ongoing "flight to quality" from companies, with a growing polarisation in the performance of prime and secondary flexible office space. The continued evolution of the flexible office market will result in heightened competition from flex operators in providing the best quality space. GPE recently launched Thirty One Alfred Place and the scheme was 75% let within 6 months of opening.

In addition to workers being significantly happier working in high quality office space, we also explored their happiness with regards to attendance in the office. As the chart demonstrates below, workers attending the office four days a week were most likely to be happy, affirming the role the office has in the overall worker experience helping cultivate collaboration and culture.

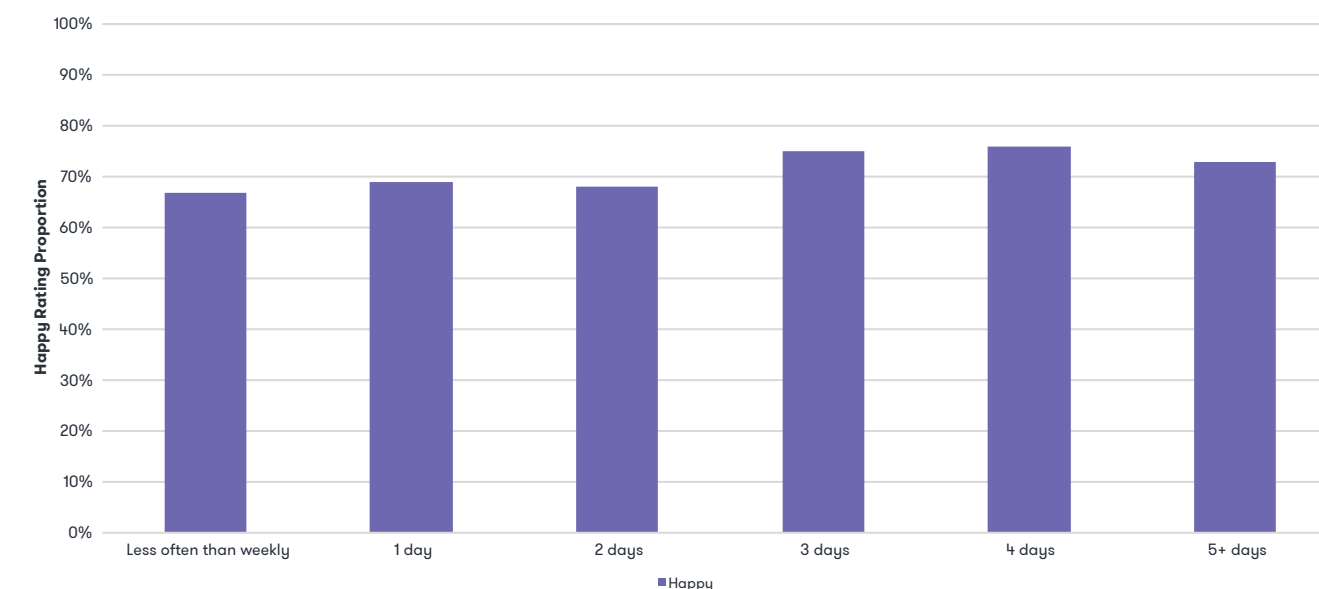
We discovered 86% of the respondents were required to attend the office less than four days a week and 80% of the respondent's employer had a hybrid working policy.

"The rapid and positive leasing at Alfred Place highlights the strong demand for our well-located, amenity-rich, premium Fully Managed spaces."



David Korman
Head of Flex
Leasing,
GPE

The Impact of the Office on Happiness



Operators of flex space can help appease the desire for high quality office space alongside providing multifunctional spaces, and a cost effective solution for company bosses, which can help accommodate a hybrid working policy pertaining to the two major factors in the happiness of an employee.



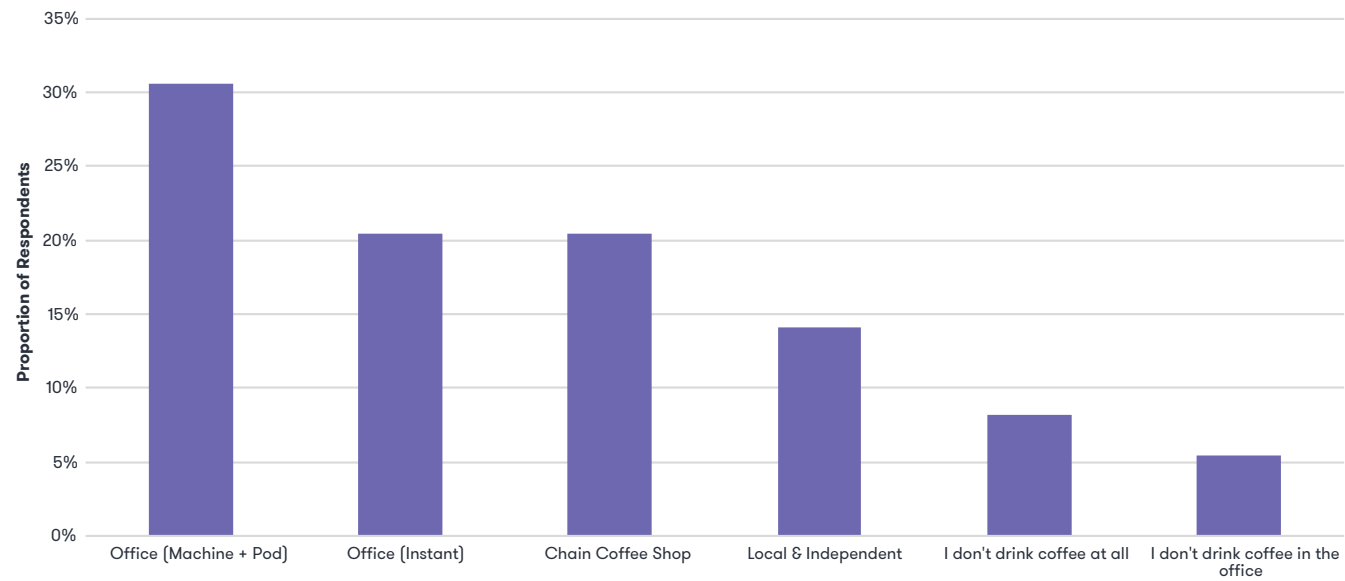
GPE, Alfred Place

Coffee and Lunch Habits

The perceived quality of an office space from an employee’s perspective will be partly determined by the level of amenity available within the workplace. A key part of any amenity offer will relate to food and drink options. The provision of kitchen facilities to provide staff lunches in central London office buildings has historically been limited to well capitalised single let occupiers and are often subsidised. This trend has also been evident in the central London flexible office sector with the majority of operators not providing canteen facilities given the proximity to external food and beverage operators.

Increasingly, the availability of high-quality coffee to office workers is key, with 87% of respondents drinking coffee whilst in the office. Changing consumer preferences have boosted the expansion of the coffee industry, Savills has reported a 26% increase in the number of coffee shops across the UK since 2019. The growth of the sector has been partly fuelled by desire for artisan coffee that has been ethically sourced. The ability of flex operators to respond to demand will add to the appeal of the spaces they provide. According to the survey, the most commonly consumed coffee in the office comes from dedicated machines located within individual demises. These machines also received the highest satisfaction ratings, highlighting the quality of coffee available to workers.

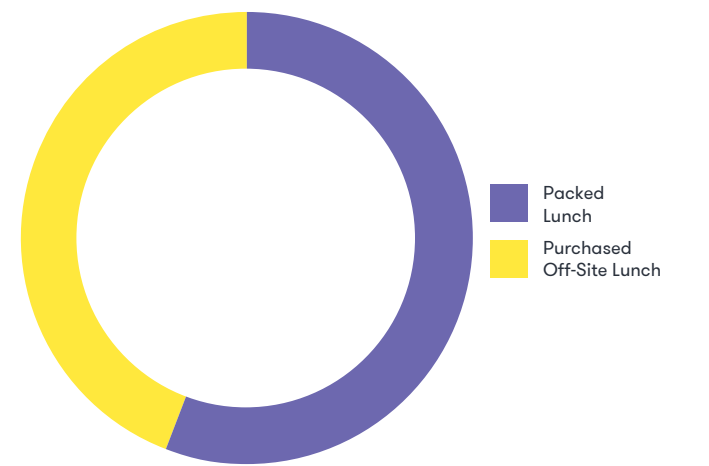
Most Commonly Drunk Coffee When In The Office



GPE has responded to this demand from office workers by partnering with SEND Coffee which supplies its flex portfolio. SEND is a non-profit organisation that provides hospitality and specialist coffee training to vulnerable people. The partnership provides high quality coffee to GPE flex customers along with maximising social value from their assets.

There is a distinct generation divide in coffee spend habits. Gen Z and Millennials spend over £9 per week on coffee whereas Gen X and older spend less than £6 per week. Amounting to an average coffee saving for those Gen X or older of over £150 a year. This trend highlights the importance of flex operators providing free high-quality coffee to their customers. The coffee spending patterns of Gen Z and Millennials demonstrate the value that is placed on consuming this product. Based upon the average coffee spend per week from the survey respondents, flex operators could save Gen Z respondents £515 per annum if they provided an equivalent free coffee offering.

Lunch Type Habits

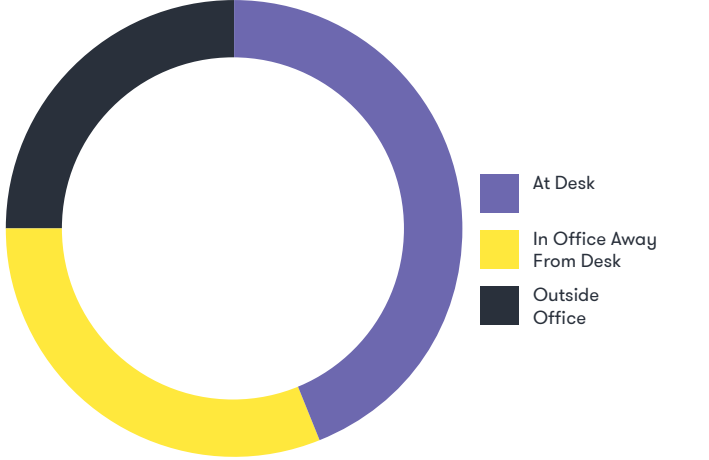


London workers have access to a plethora of lunch options. However, workers more commonly choose to bring their own food to the office. Employees who bring packed lunches report higher satisfaction than those who buy lunch off-site, suggesting that the benefits extend beyond just cost savings. GPE recognises the need to provide workers with their own kitchen, providing the opportunity to store packed lunches, reheat meals and space to socialise with colleagues during lunch breaks.

This survey identified that 44% of London workers eat their lunch most commonly at their desk. Separate spaces to eat lunch offered by flex office providers gives workers the opportunity for a mental refresh and a reduction of stress.

Similarly to coffee spend, there is a generational divide in lunch spend. Millennials spend the most, £15 on average per week, whereas Generation X and Baby Boomers spend least, £8 on average per week, marking a difference of £322 annualised average lunch spend between the two generations. The generational difference in spending indicates that younger office workers place a higher value on

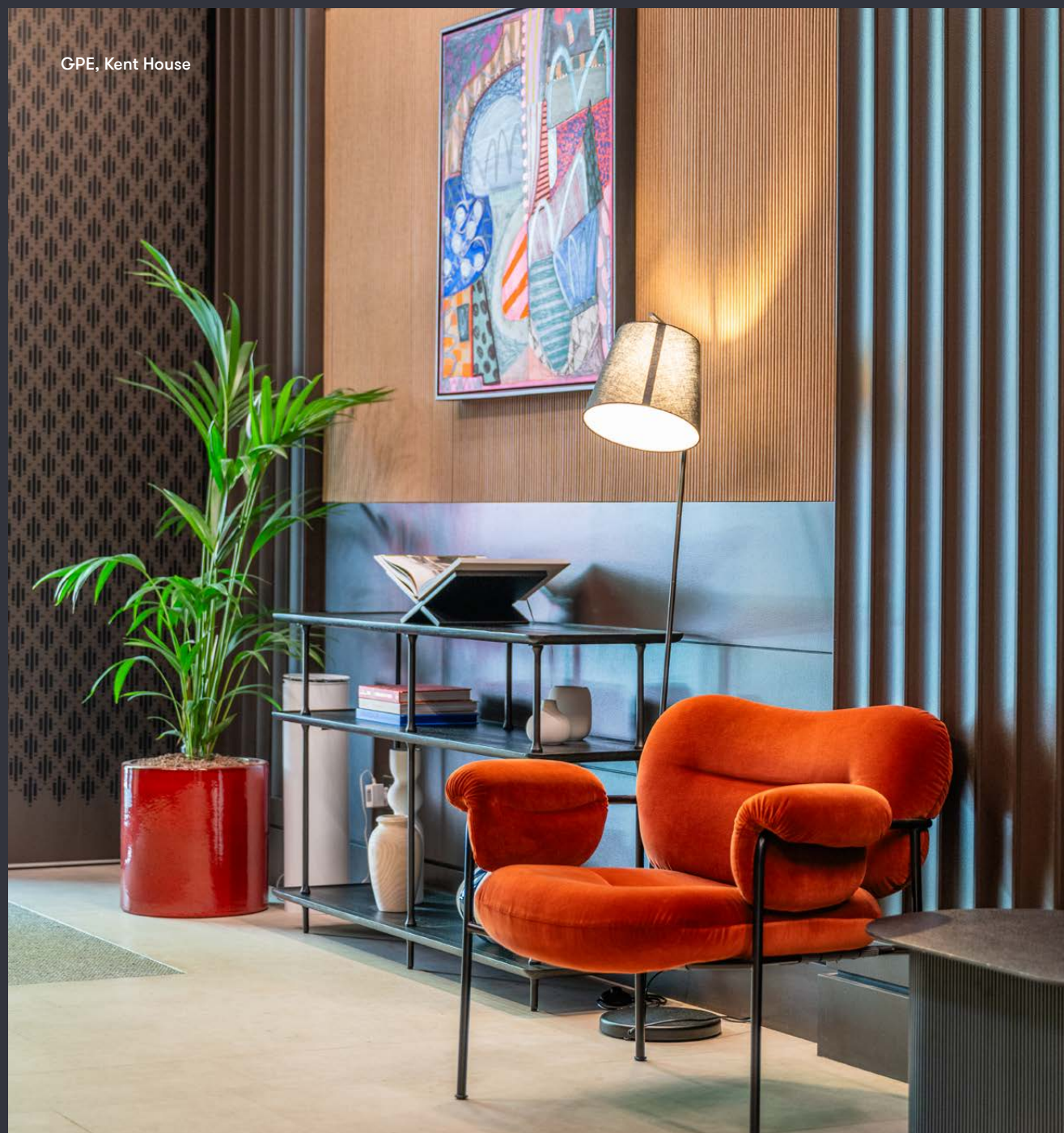
Lunch Eating Habits



consuming more expensive food and beverage options. Given Flex operators are increasing their presence in the core of central London, they can potentially capitalise on this changing consumer preference by also being close to these higher value food options, which may appeal to their customers.

“When we are working with prospective tenants, more and more we are being asked about the best local places to eat and drink. Moreover, these are a key part of a buildings marketing strategy with location maps and recommendations appearing in building brochures.”

Tom Leahy
Co-Head of Workthere UK



GPE, Kent House

Conclusion

The flexible office sector is well placed to respond to the needs and desires of office workers given the variety of different options that is provided to customers.

Flex operators will need to be able to accommodate these views with the competition between providers increasing amidst ongoing expansion of existing operators and new entrants to the market.

Those operators who are proactive in satisfying the types of demands that have been highlighted by this survey will be at the forefront of the integration of flexible office space into the wider office market.



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Get in touch for further information

Dan Brown

Co-Head of Workthere UK
+ 44 (0) 7710 249 297
dan.brown@workthere.com

Tom Leahy

Co-Head of Workthere UK
+44 (0) 7955 147 734
tom.leahy@workthere.com

Simon Preece

Savills Commercial Research
+44 (0) 7814 293 916
spreece@savills.com

Simon Rowley

Director of Flex Workspace, GPE
+ 44 (0) 7740 933 357
simon.rowley@gpe.co.uk

David Korman

Head of Flex Leasing, GPE
+ 44 (0) 7435 939 956
david.korman@gpe.co.uk

Molly Maguire

Flex Leasing Manager, GPE
+ 44 (0) 7887 841 816
molly.maguire@gpe.co.uk

Anna Tweed

Flex Leasing Manager, GPE
+44 (0) 7990 633 486
anna.tweed@gpe.co.uk

Workthere.com

Workthere is Savills flexible office advisory helping businesses to find, fill and manage flexible workspace.

GPE

GPE, is a FTSE 250 Real Estate Investment Trust specialising in investment and development of property in central London.