



The Changing Fortunes of London's Docklands

- presentation by Stuart Innes

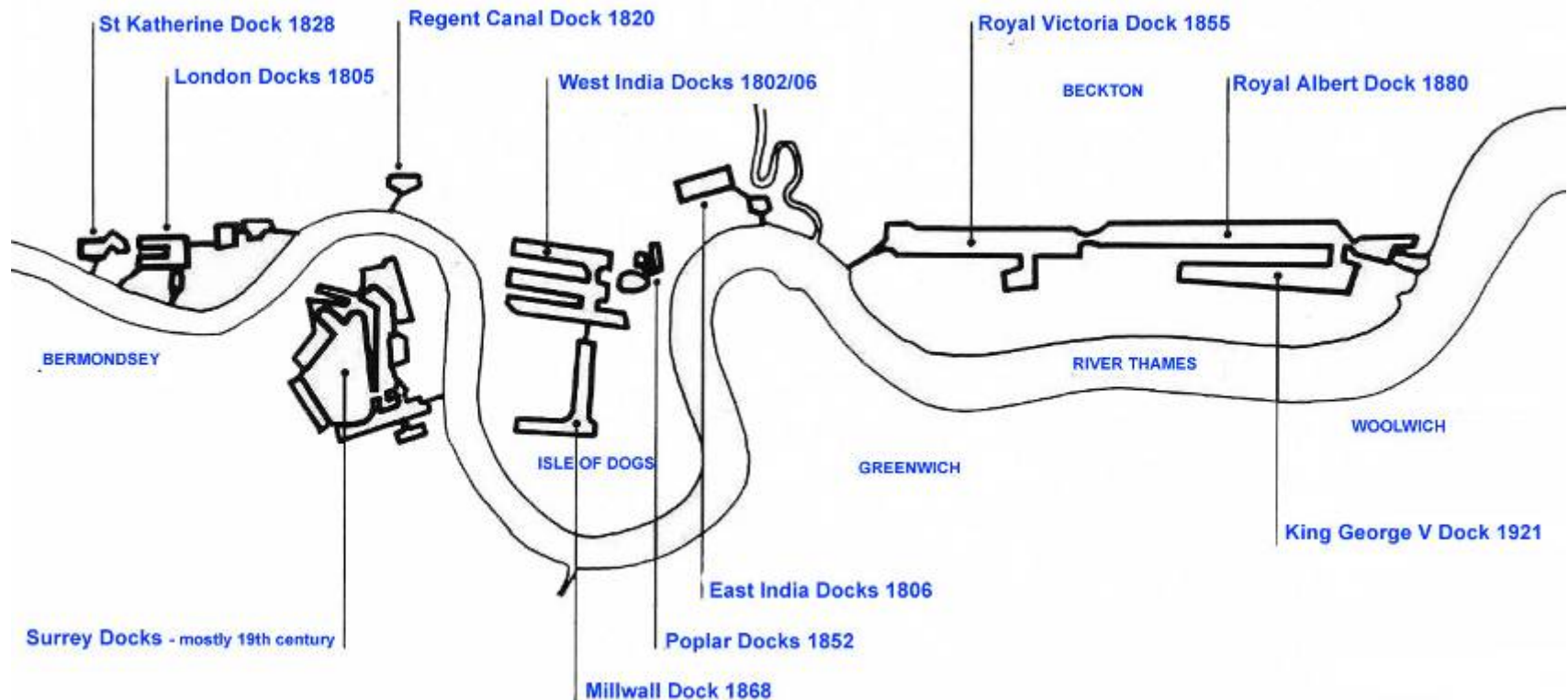
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About Stuart Innes.....

- **1961-1980: civil servant in the Ministry of Transport and Department of the Environment**
- **1980-1998: with the London Docklands Development Corporation (LDDC)**
- **1998-2009: partner in IJP Community Regeneration**
- **1987-2009: secretary, London City Airport Consultative Committee**
- **1999-2009: vice-chairman, Shaw Trust**



Development of the London Docklands...



- Port of London Authority formed 1909
- The last enclosed dock opened in 1921
- Land reserved for new dock in Beckton not used

Decline of the Docks...

- Docks heavily bombed in WW2 - patched up
- From 1960's onwards docks in decline – because of:
 - ✓ containerisation
 - ✓ larger bulk carrying ships and mega oil tankers
 - ✓ shifts in the balance of trade
 - ✓ changes in industry and where it was best located
- docks no longer large or deep enough



Savile Road, Silvertown, 1950s



Royal Docks 1949



Bombing the Royal Docks 1940

Decline of the Docks...

- **Between mid 60s and 70's, 150,000+ jobs lost as the docks and related industries closed**
- **In the 1970s attempts by Government and local authorities to deal with decline:**
 - ✓ **Docklands Joint Committee**
 - ✓ **Docklands Development Organisation**



Royal Docks 1946



Lighters in the Royal Albert Dock 1958



Banana cargo in the King George V Dock 1935

Decline of the Docks...

- Perceived by new Thatcher Government as too slow.
- Decision early in 1980 to ask Parliament for powers to set up urban development corporations (UDCs)
- First UDCs for London Docklands and Merseyside



Images from the Royal Docks 1981



London Docklands Development Corporation 1981-1998

Why was LDDC set up?

The Government's response to the severe economic, physical and social damage caused to East London by the closure of London's docks

“The place was a tip: 6,000 acres of forgotten wasteland”

– Michael Heseltine, Secretary of State, 1981

“Conventional local government solutions failed to halt the accelerating decline. A new approach was needed.”

– Nicholas Ridley, Secretary of State 1986



Limehouse Basin 1981

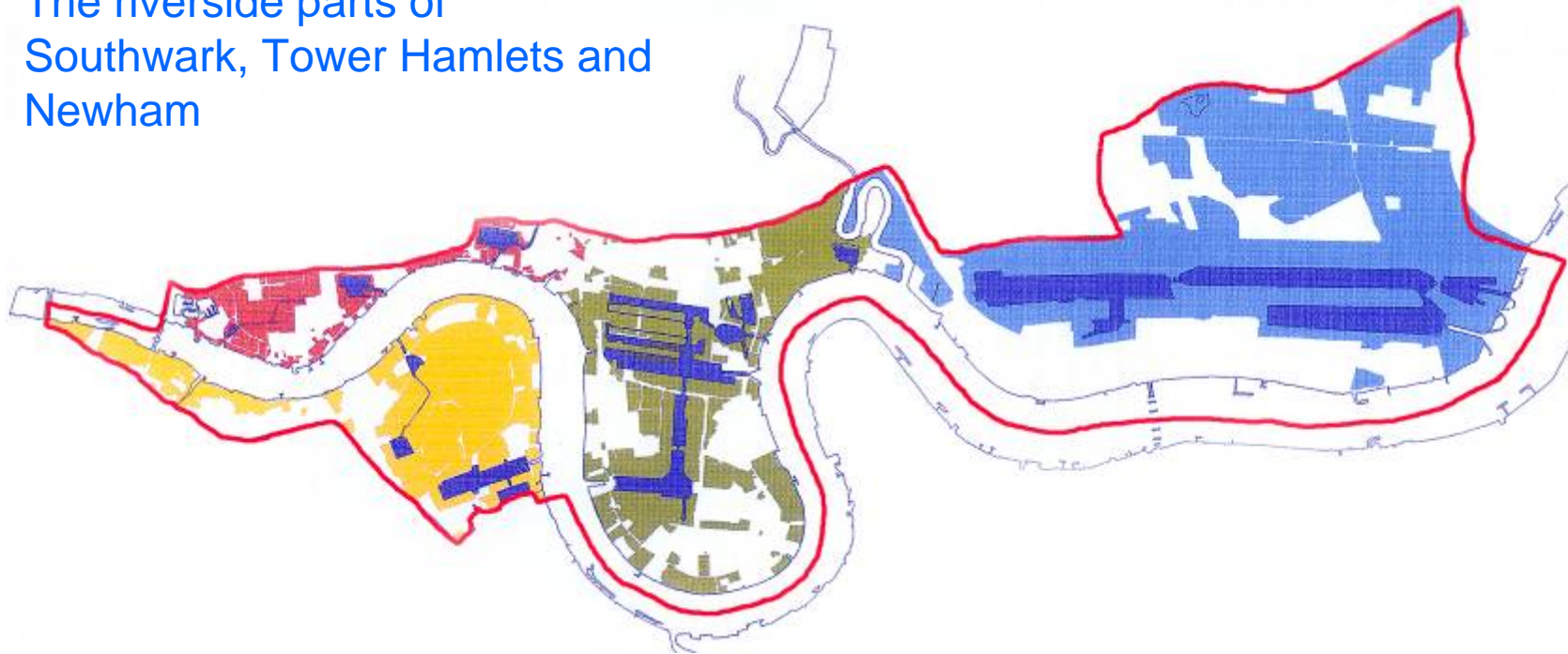


London Docklands Development Corporation 1981-1998

The LDDC's area

Area = 8.5 square miles

The riverside parts of
Southwark, Tower Hamlets and
Newham



Coloured areas show derelict land and waters in 1981



London Docklands Development Corporation 1981-1998

The area in 1981 (Government Study)

- Catastrophic recent job losses
- High proportion of public sector land
- 95% social housing
- Local blue collar job skills did not match growth areas of the London economy.
- Severe dereliction made development costs very high and uncertain
- Government intervention required to cover extraordinary costs of land reclamation, infrastructure and essential amenities



/ ...more



London Docklands Development Corporation 1981-1998

The area in 1981continued

- Many development sites poorly served by the local infrastructure
- Poor strategic links with the rest of London, the country and internationally.
- No track record - lack of development over many years made prospects for development very uncertain



Isle of Dogs 1981

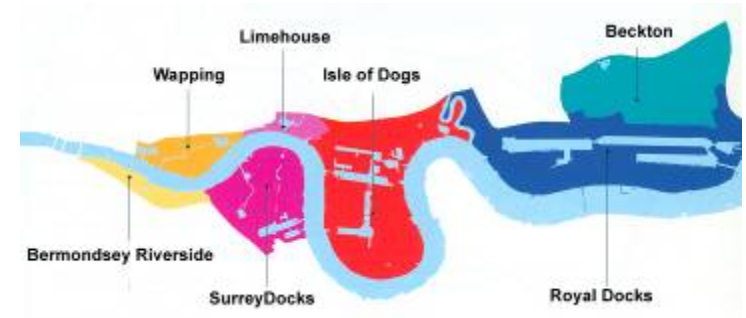
These factors made it difficult for the market, without external intervention, to reverse the steep cycle of decline



London Docklands Development Corporation 1981-1998

Four Key Powers

1. Land Acquisition
 - by agreement
 - by compulsory purchase
 - new vesting powers
2. Power to give planning permission
3. Powers to renew/revitalise the infrastructure
4. Channel for central Government Resources



Funding?

- Central Government grant
- Income from sales of land





London Docklands Development Corporation 1981-1998

What the Corporation was not!

- ✓ A local authority
- ✓ A housing authority
- ✓ An education authority
- ✓ A health authority



Canary Wharf 1981



King George V Dry Dock 1984



King George V Dock at its
opening in 1921



London Docklands Development Corporation 1981-1998

How the LDDC worked

- Huge energy
- Flexible staffing
- No time wasted on drawing-up new town style master plans
- LDDC worked to flexible development frameworks
- Responded to unexpected opportunities (e.g. Canary Wharf)
- Positive development control regime - tried to say “yes”
- Effective marketing and PR
- Effective project management – ability to soak up under-spends in other DoE programmes



Britannia Village



London Docklands Development Corporation 1981-1998

The three phases of LDDC (1)

1981-1986 –Putting Docklands on the map

- ✓ Key decision not to fill-in docks
- ✓ Initial focus on the Isle of Dogs
- ✓ Selling the area - marketing and PR
- ✓ Building the DLR
- ✓ Starting the infrastructure programme
- ✓ Establishing the private housing market
- ✓ Tense relationships with Boroughs
- ✓ Limited expenditure on community facilities
- ✓ Clinching Canary Wharf





London Docklands Development Corporation 1981-1998

The three phases of LDDC (2)

1987-1990 –Building the Community

- ✓ Community budget boosted to £100m p.a.
- ✓ Heavily increased spending on social housing, health, education and training
- ✓ Increased community staff –50 people Building the DLR
- ✓ Increased support for community organisations
- ✓ Improved relationships with the Boroughs
- ✓ The Tower Hamlets Accord and Newham Memorandum signed
- ✓ Continued spending on the infrastructure programme
- ✓ Property market falls into recession –much less private investment in housing and commercial development



New housing



London Docklands Development Corporation 1981-1998

The three phases of LDDC (3)

1991-1998 –the balanced programme

- ✓ Whitehall concerned that LDDC turning into a local authority
- ✓ Community expenditure reined in and focused on the Accord and Memorandum
- ✓ Still a substantial community programme (e.g. 8,000 homes refurbished)
- ✓ The market recovers
- ✓ Schemes for the Royals launched –not fully delivered by 1998
- ✓ Progressive withdrawal from 1994 onwards



Royal Docks Medical Centre



London Docklands Development Corporation 1981-1998

Coping with Recession (1)

- ✓ Born in a recession – added to start-up difficulties
- ✓ 1990 – downturn in national economic activity and high interest rates brings about a severe slowing in commercial development
- ✓ Problems fanned by perception that access to Docklands still poor
- ✓ No new homes for owner occupiers for 4 years
- ✓ Developers collapse, negative equity for thousands
- ✓ Value of LDDC's land sharply reduced



Docklands – looking east



London Docklands Development Corporation 1981-1998

Coping with Recession (2)

- ✓ LDDC struggles to maintain land sales programme – only £7m in 1991/92
- ✓ Only 9,290 sq.m. of office space let in 1992
- ✓ 1990/91 - “most challenging in the Corporation's history”
- ✓ May 1992 - Canary Wharf developer O&Y goes into administration – threat to Jubilee Line extension



On the Isle of Dogs



**London Docklands Development Corporation
1981-1998**

Coping with Recession (3)

- ✓ **LDDC already spending more on social and community programme – now focused by Tower Hamlets Accord and Newham Memorandum**
- ✓ **Priority given to improving transport links to make area more attractive after recession – Limehouse Link**
- ✓ **LDDC finds funds for Beckton Link of DLR after planned Royals developments founder**



Docklands Sailing Centre



**London Docklands Development Corporation
1981-1998**

Coping with Recession (4)

- ✓ **Canary Wharf bought by creditor banks and Jubilee Line funding package saved**
- ✓ **More land sold for social purposes – schools and social housing**
- ✓ **Other infrastructure projects brought forward**
- ✓ **Closer links with City of London – *London First* set up**



Building the DLR



London Docklands Development Corporation 1981-1998

What was achieved?

(LDDC's 1998 Annual Report)

- £1.86 billion invested by public sector
- £7.7 billion invested by private sector
- 1,066 acres of land sold for redevelopment
- 144 km of new and improved roads
- the construction of the Docklands Light Railway
- 25 million sq feet of commercial /industrial floorspace built
- 1,884 acres of derelict land reclaimed



Limehouse Link Tunnel



London Docklands Development Corporation 1981-1998

What was achieved?continued

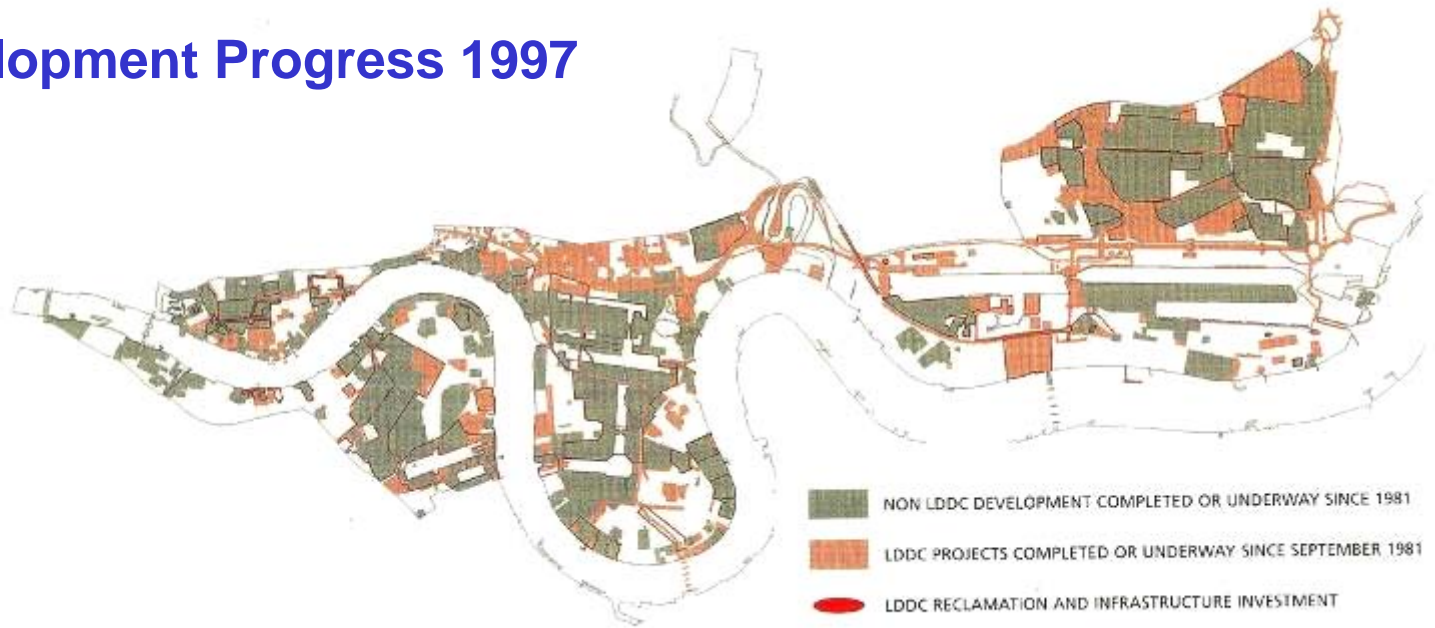
- 24,046 new homes built
- 2,700 businesses trading
- contributions to 5 new health centres and the redevelopment of 6 more
- funding towards 11 new primary schools, 2 secondary schools, 3 post-16 colleges and 9 vocational training centres
- 94 awards for architecture, conservation and landscaping
- 85,000 now at work in London Docklands





London Docklands Development Corporation 1981-1998

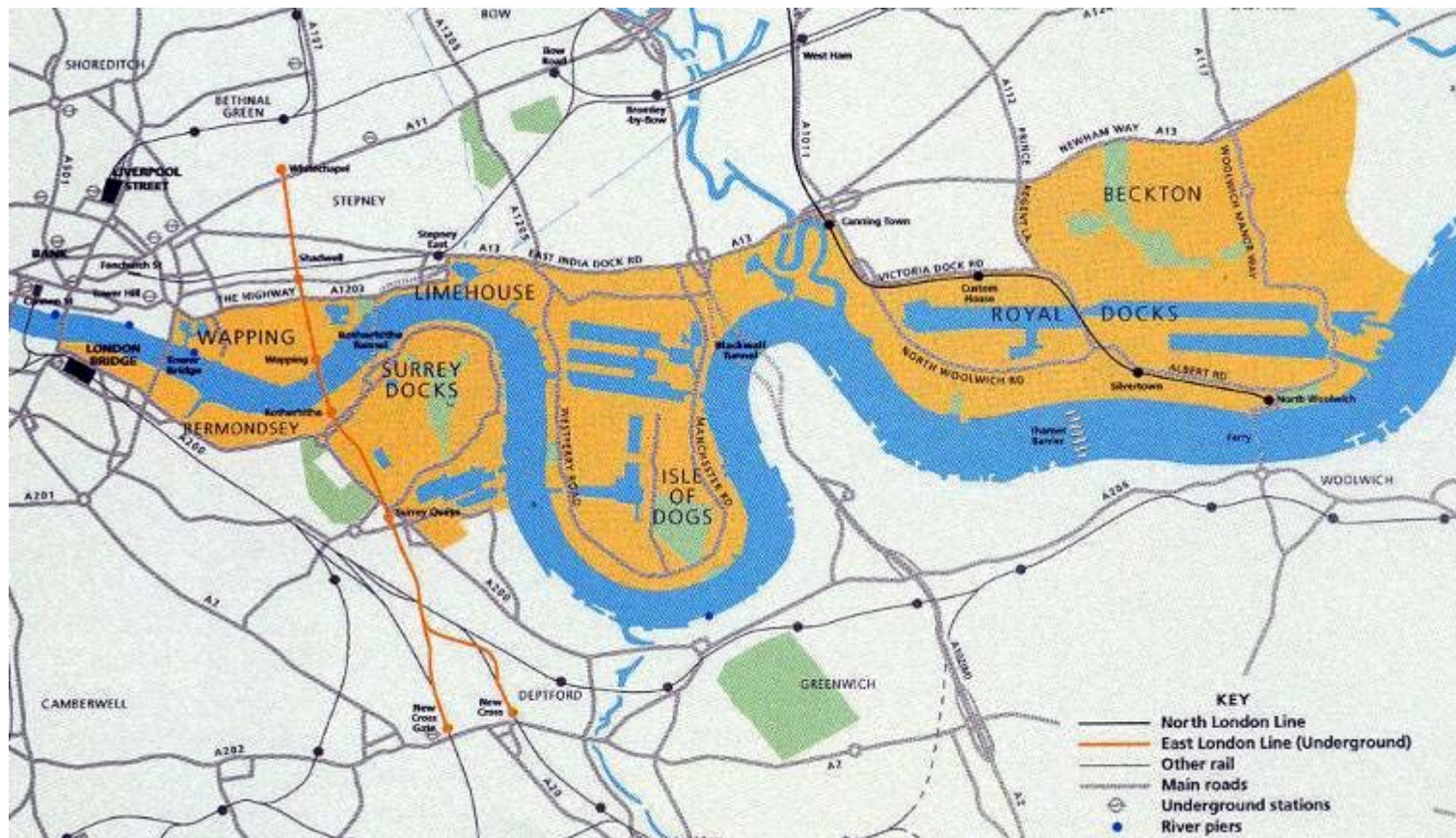
Development Progress 1997





London Docklands Development Corporation 1981-1998

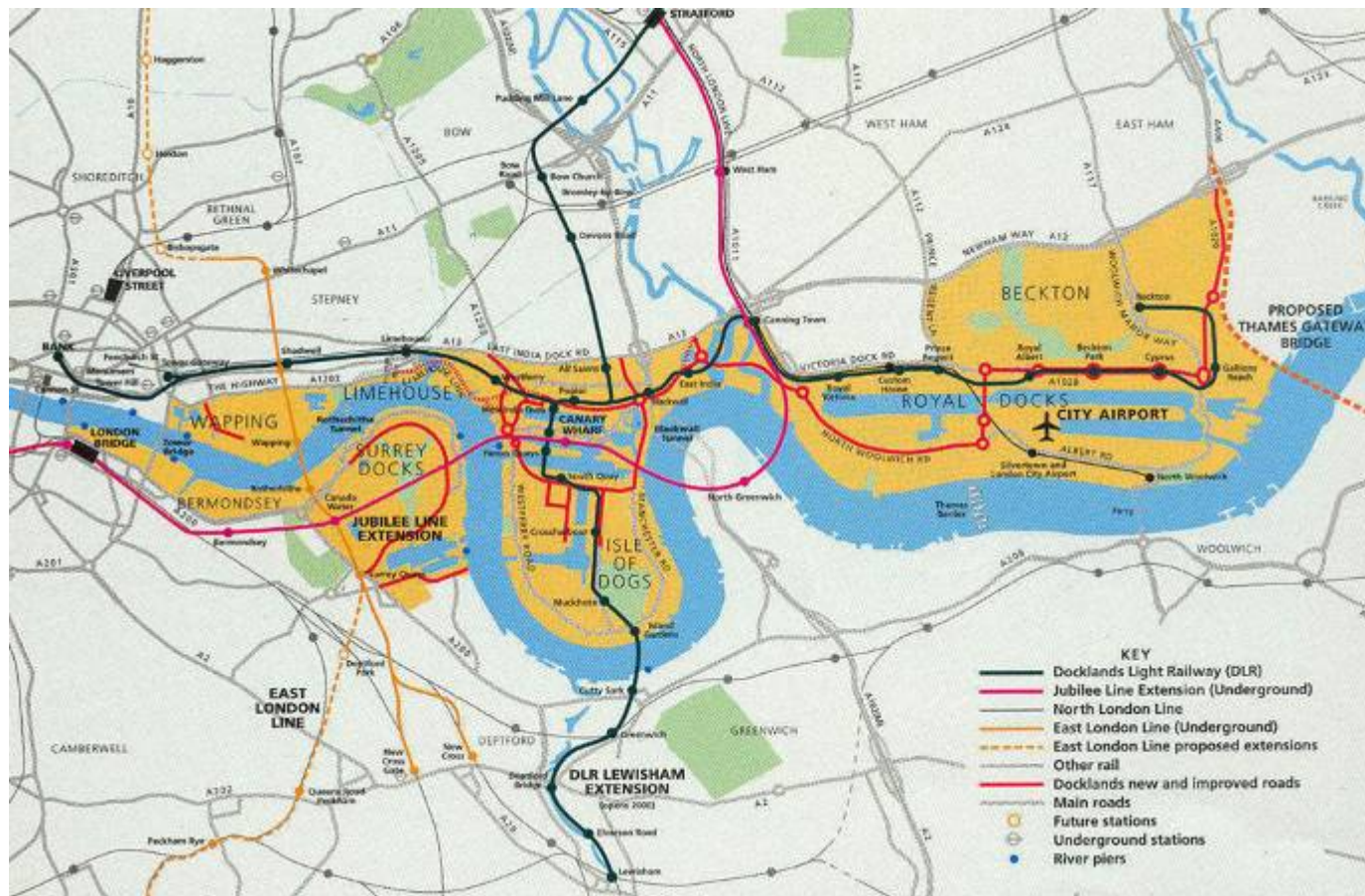
Docklands Transport 1980





London Docklands Development Corporation 1981-1998

Docklands Transport 2000





London Docklands Development Corporation 1981-1998

How well did LDDC succeed? (1998 Government Research Study)

- Widespread multiple market failure successfully tackled
- Total public sector cost about £3,900 million (LDDC 48%, London Transport 25% Enterprise Zone 27%).
- Half the public sector cost spent on transport infrastructure.
- Private sector investment £8,700+ million by March 1998 with more to come.



D Silo – West Silvertown



London Docklands Development Corporation 1981-1998

How well did LDDC succeed... continued

- Wide range of economic, environmental and social benefits including 24,000+ housing units and 80,000+ jobs (gross)
- Housing tenure substantially more varied
- Every £1m of public sector cost generated:
 - ✓ 23 jobs (net),
 - ✓ 8500 sq m of office floorspace,
 - ✓ 7.8 housing units plus many other diverse and intermediate benefits.
- Some benefits still to materialise - the cost-benefit ratio should increase by a third by 2010 - 2015.



Cascades Housing- Isle of Dogs



London Docklands Development Corporation 1981-1998

How well did LDDC succeed ... continued

- Substantial benefits for local communities and residents.
- More social housing than if LDDC had not existed.
- LDDC generated an additional 23,000 jobs in Central London by increasing the supply of high grade office accommodation which led to a more competitive financial centre



Aspen Way



Royal Albert Way

Before and after....



Canary Wharf

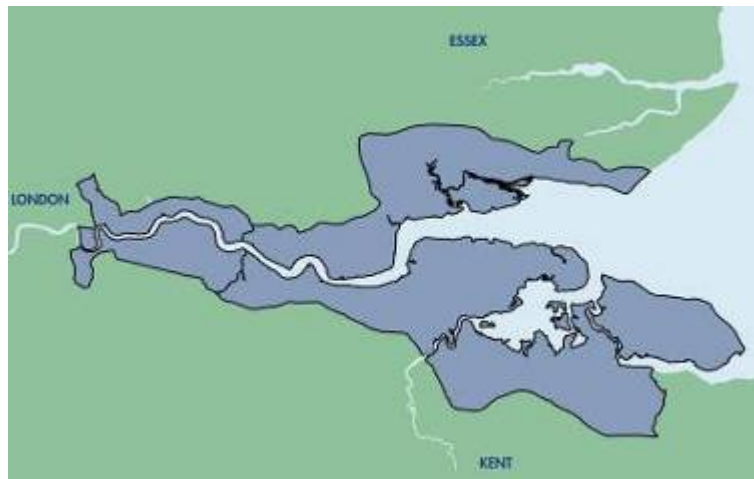


Surrey Quays



Recent times....

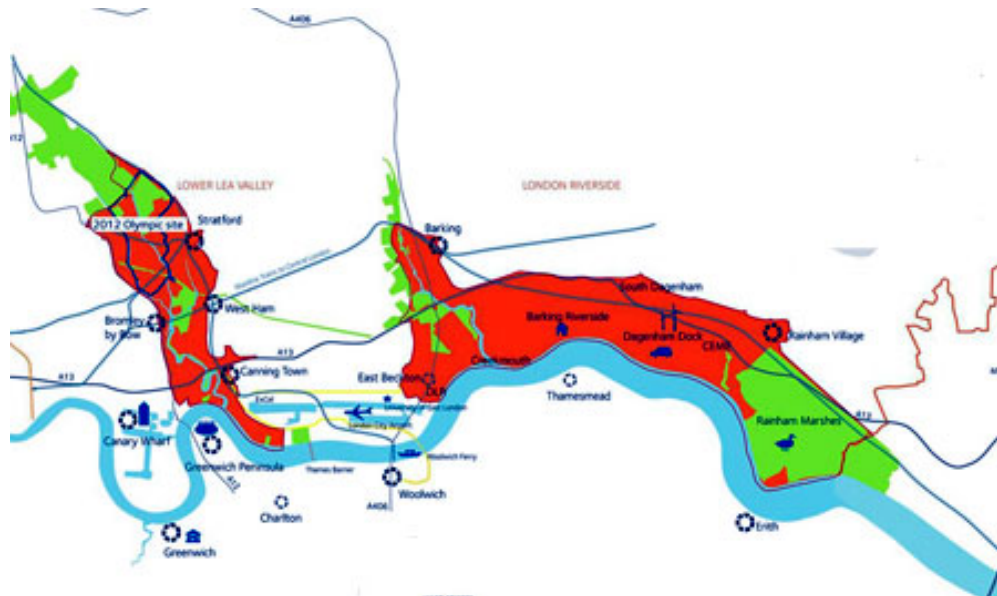
- **1994 LDDC begins phased exit**
 - ✓ **Planning powers handed back to Boroughs**
 - ✓ **Residue of LDDC development land transferred to Boroughs and English Partnerships (EP)**
- **1995 – Thames Gateway initiative launched**



- **1998 – LDDC completes its remit and is wound up**
- **2000 – Some LDDC development land transferred to newly formed London Development Agency**

Recent times....

- **2004 – Enter the Thames Gateway Development Corporation**



- **2005 – London wins bid to host 2012 Olympic Games – main Olympic Park to built in lower Lea Valley**
- **2006 - Olympic Delivery Authority (ODA) is formed**
- **LDDC now largely expunged from history – too successful?!**



Thank you for listening!

It's now.....

**Question
Time?**