

# News Release



**London Docklands  
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## **LONDON DOCKLANDS PUBLISHES 1996/97 ANNUAL REPORT & ACCOUNTS**

**More than 2,200 new homes were sold in London Docklands in 1996/97, the highest level since 1988 and double the number of the previous year; 3,800 jobs were attracted and 1.16 million sq. ft of office space let, including a construction start on Citibank's new 560,000 sq. ft headquarters at Canary Wharf, the first new office development in the area for eight years.**

**In publishing the London Docklands Development Corporation's (LDDC) 16th and penultimate Annual Report & Accounts, Chairman, Sir Michael Pickard, comments:**

**"With just under a year to go, the LDDC's work to regenerate Docklands is proceeding flat out. The last year saw every area of activity move up a gear. Confidence is high and there is a great sense of optimism for the future: more homes have been built and sold, nearly 4000 jobs created and more office space let. There is every indication that the prospects look just as good for this year.**

**"The Government's decision to press ahead with the Millennium Experience is the best possible news for the area. Together with the Jubilee Line Extension opening in 1998, this will secure the long term future for the people who live and work in Docklands."**

**The year has seen further growth in the housing market with 1,771 homes built and more than 2,200 sold, double the figure of the previous year. Work has recently started on two hotels - at Canary Wharf Riverside and a Granada Travelodge in East India Dock - while significant progress has been made on a further three, more than doubling hotel accommodation in the area.**

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Sir Michael also highlights the setting up of The Partnership, a local labour initiative designed to ensure that local residents have the opportunity to work on the construction of the new developments taking shape in the area and in the new jobs that will be created as a result.

It is estimated that in the next 18 months work will start on nearly £1 billion worth of new development in London Docklands including the hotel, residential and leisure schemes at Canary Wharf Riverside and West India Quay; Citibank; West Silvertown Urban Village; The Royals Business Park including the University of East London's Docklands Campus and Norton Healthcare's new headquarters; and a new secondary school in Beckton.

#### **COMMERCIAL ACTIVITY AND JOBS**

More than 1.16 million sq. ft of office space was let in London Docklands during the year, with total occupancy in the area now more than 80%. Lettings during the year included:

- 560,000 sq. ft at Canary Wharf to Citibank for their corporate headquarters;
- Thomas More Street, E1: 120,000 sq. ft to Reuters and 100,000 sq. ft to AT&T Communications;
- 27,000 sq. ft to The Builder Group at Harbour Exchange;
- Canary Wharf: 27,000 sq. ft to KPMG; 19,000 sq. ft to lawyers Skadden, Arps, Slate, Meagher and Flom and 12,500 sq. ft to Bank of China;
- 12,500 sq. ft to insurance company, Multi Assistance, at Thames Quay;

The year also saw an agreement to sell the 7.4 acre site at West India Quay to the West India Quay Development Company Ltd for a 1 million sq. ft hotel, residential and retail scheme which, subject to National Heritage Lottery Funding, will also include a Museum of Docklands.

During the year jobs rose by 3,801, increasing total employment to 72,000 (compared to 27,200 in 1981 when the LDDC was set up.). New jobs attracted included:

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- 400 at Reuters and 350 at AT&T;
- 300 at BZW, Canary Wharf, due to increase to 4,200 by the end of this year;
- 150 due to expansion at Courtaulds, West Silvertown;
- 150 at Corporate Express, stationary suppliers, at South Quay;
- 150 at the Personal Investment Authority; 128 at State Street Bank; 60 at Skadden Arps Slate Meagher & Flom and 50 at Bank of China, all at Canary Wharf.

#### **HOMES:**

To date 21,615 new homes have been completed in London Docklands including 1,771 in 1996/97. The sale of 880 new homes in the first quarter of 1997 was the highest since 1988. The acceleration was marked even over the previous nine months when 1,330 homes were sold and the whole of 1995/96 which saw 1,100 new homes sold. The Corporation's commitment to improving social housing in the area continued with 336 council homes refurbished on the Isle of Dogs alone during the year. Work started on 235 homes for rent by Peabody Trust and East Thames Housing Group at West Silvertown Urban Village where work is progressing on 780 homes for sale - more than 180 have been sold to date.

#### **MAJOR SCHEMES:**

During the year the LDDC launched the Royals Business Park, 120 acres on the north side of the Royal Albert Dock where Norton Healthcare has purchased 13 acres, with an option on a further 10 acres, to build their new headquarters. On a further 25 acres work will start on the University of East London's Docklands Campus later this year which is scheduled to open its doors to its first 3000 students in 1999. Sports Lottery Funding of £8.9 million has also been secured for an international rowing course and regatta centre on a four acre site. This will be matched by £7.2 million from the LDDC and English Partnerships for the associated infrastructure works.

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### **LAND SALES:**

Since 1981 the LDDC has acquired 1,756 acres of land and 417 acres of water:

- 897 acres have been sold and 550 set aside for landscaping and environmental improvements and for construction of Docklands Light Railway and roads;
- 78 acres of land were sold in the year including 43 acres for housing; 13 acres to Norton Healthcare and seven acres for the University of East London's Docklands Campus.
- 309 acres remain for sale, mainly in the Royal Docks;
- An average price of £420,000 per acre has been achieved over the 16 years.

### **ACCESS:**

In his foreword to the Accounts, Sir Michael points to the two landmarks achieved during the year by the Docklands Light Railway (DLR) which is owned by the LDDC. The contract to build and operate the 4.2 km Lewisham Extension was awarded to City Greenwich Lewisham Rail Link plc in September 1996, with its opening scheduled in January 2000. The seven year franchise to run the DLR was awarded to the Docklands Railway Management Ltd, a company owned by some of the former DLR management and SERCO Group plc which became operational on 6 April 1997. The year also saw the opening of two new spectacular footbridges linking South Quay and West India Quay to Canary Wharf. Significant progress was also marked at London City Airport which added a number of cities to its destinations.

### **INVESTMENT IN THE COMMUNITY:**

Education remains a key issue for the long term prosperity of local residents and a priority for the Corporation. In addition to the LDDC support for the new university campus it has contributed funding for 11 new primary schools, two secondary schools, three post-16 colleges and nine vocational training centres. In the last financial year some £6.5 million was spent by the LDDC in grants for a variety of community, education, training and business support projects.

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**COMPLETION OF REMIT:**

During the year the Corporation handed on its responsibilities in Surrey Docks to London Borough of Southwark (20 December 1996) and in Wapping and Limehouse to London Borough of Tower Hamlets (31 January 1997). With the Isle of Dogs due to be dedesignated in October 1997, a final package of investments in community support has been agreed with London Borough of Tower Hamlets and is currently awaiting Ministerial approval. Arrangements have also been made to secure the transfer of the West India and Millwall Docks to British Waterways. An endowment for the Royal Docks Trust has been agreed with Newham Council in advance of the LDDC's completion of remit in the Royal Docks on 31 March 1998, the day on which the LDDC will be wound up.

**INCOME AND EXPENDITURE:**

The LDDC financed the above initiatives by way of grant in aid and land sales. The financial statements show total income for the year was £153 million of which £58.2 million relates to Docklands Light Railway Ltd and an operating deficit of £12.9 million for 1996/97, compared with £1.6 million last year. The deficit is after charging depreciation of £27.1 million (1995/96: £27.2 million) and exit and dedesignation costs of £20.7 million (1995/96: £5.2 million).

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