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From the Private Secretary

8 February 1988

PRIME MINISTER'S MEETING WITH MR. PAUL REICHMANN OF  
OLYMPIA AND YORK

Mr. Paul Reichmann came to see the Prime Minister this morning to discuss the Canary Wharf development. The Prime Minister was most grateful for the background briefing which had been provided by DOE and the Department of Transport.

Mr. Reichmann presented the Prime Minister with a small model of the proposed Canary Wharf scheme. He said that during the six months that Olympia and York had now been responsible for the project their concern had been to develop quality proposals, using the same architects as for the World Financial Centre in New York. Olympia and York were convinced that there was a need for a major third commercial centre in London besides the West End and the City and they saw Canary Wharf as the catalyst for this process. Mr. Reichmann predicted that over the next 20 years there would need to be a 50 per cent increase in the amount of commercial office space currently available in the West End and the City; this reflected the long-term growth of the services sector generally, not just financial services.

Mr. Reichmann went on to express two concerns about the project. First, there was scepticism in some quarters about whether the necessary transport infrastructure in the London Docklands would be completed in time. For example, he was advised that for the Limehouse Link road construction was likely to take four years, whereas Olympia and York felt it should be possible to complete the work in two years. The Prime Minister said that she understood that there had already been contacts with the LDDC about this issue and she assured Mr. Reichmann that, consistent with the due legal processes, Government agencies would do their level best to ensure that the necessary infrastructure was completed quickly.

Mr. Reichmann's second concern was that City institutions needed to be persuaded that the Docklands would develop into a major new commercial business location. At present he noted that several of the major banks had their

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head offices split between many different sites and the new docklands developments around Canary Wharf would provide them with an opportunity to re-locate. Olympia and York would be extremely pleased if the Prime Minister felt able to attend a function over the coming weeks to unveil details of the Canary Wharf project when the company would be hoping to capture the imagination of the business community.

The Prime Minister thanked Mr. Reichmann for this invitation and said that she would consider whether diary constraints permitted her to attend a late morning reception and buffet lunch during the next couple of months.

I am sending a copy of this letter to Neil Hoyle (Department of Transport).

PAUL GRAY

Alan Ring, Esq.,  
Department of the Environment.