

## Tube link worth billions in growth

A leading economic consultancy says extending the Northern Line to Nine Elms could deliver as much as a £7.9 billion in growth to the UK economy.

An independent report by Volterra Partners estimates the economic benefits of creating the two new Tube stations would pay for the scheme three times over.

The rate of return could rise as high as nine to one if the regeneration area surrounding the new underground stations attracts a high level of foreign investment.

This compares well to the Crossrail project which delivers a return on investment of between 4 to 1 and 5.9 to 1 using the same Transport for London (TfL) cost benefit model.

According to the report, the Northern Line Extension (NLE) would enable the underdeveloped Nine Elms district to support the same high levels of commercial activity as the rest of central London.

This subsequent rise in economic outputs and inward investment means the scheme offers exceptionally high value for money.

Nine Elms is a 450 acre regeneration area on the South Bank of the Thames, opposite Westminster. A multi-billion development programme has now begun transforming this industrial district into a high density residential and business quarter.

The NLE will provide the extra transport capacity the area needs to support its growing uses and will speed up the regeneration process, according to Volterra.

A fully developed Nine Elms would provide up to 25,000 new jobs, 16,000 new homes and will include the new home of the US Embassy.

The Volterra study was commissioned by Transport for London (TfL) and Wandsworth and Lambeth Councils. The findings add to the scheme's business case and will be included in its planning application – called a Transport and Works Act Order (TWAO) – which is now being prepared by TfL.

The project is backed by Her Majesty's Treasury and the Mayor of London as a key measure to drive up economic growth.

The TWAO application will be submitted in 2013 and the new Tube stations could be open by 2018.

Key findings from the Volterra report:

- The NLE would expand the Central London Activity Zone – one of the most productive commercial districts in the world.
- The NLE would generate approximately £4.5 billion in additional tax revenue for the Exchequer.
- The money spent delivering the NLE would be repaid between three and nine times over through increased economic outputs and increased foreign investment in the UK.
- An additional 17,000 jobs could be created across Nine Elms that could otherwise not be located in the area. This would bring the total number of new jobs created to 25,000.
- An additional 7,500 homes could be added to the area wide regeneration programme – this would bring the total number of new homes created to 16,000.
- Nine Elms could support an additional 20,000 new residents.
- Approximately 1,500 of the new jobs created would go to local people who would otherwise be out of work. This represents a 25 per cent drop in local unemployment.
- The NLE would ease passenger congestion at Vauxhall Station.

The report concludes:

“The Vauxhall, Nine Elms, Battersea Opportunity Area offers the capability of providing an extension to London’s Central Activity Zone. This is the area of London which provides the highest density of activity and the highest productivity and economic added value. Facilitating such investment [through an extension of the Northern Line] is thus a contribution to economic growth as a whole.

“...the real benefit is in its potential to catalyse development [in Nine Elms] by providing accessibility and enabling more productive jobs to be created, increasing the overall effectiveness of London’s high productivity area.”

Volterra chairman Bridget Rosewell said:

“Nine Elms sits within the most productive commercial territory in the UK. The Northern Line Extension will unlock its clear potential as an international business district with a high level of employment density.

“The new Tube link would give Nine Elms the transport capacity it needs to close the gap on its neighbours and would effectively expand the engine room of the UK economy. In terms of value for money the scheme compares well with much larger investments such as Crossrail and the benefits would start to be realised quite quickly.”

TfL Planning Director Michele Dix said: “....

Leader of Wandsworth Council Ravi Govindia said:

“This scheme would expand one of the world’s the most productive commercial centres and create 25,000 new jobs. The bulk of the construction costs will be met directly by private development sites in Nine Elms and the public investment will be repaid many times over.

“We’re not talking about a far-off scheme like High Speed 2 or the Estuary Airport – the design, planning and consultation work is in its final stages and work could begin at the end of next year.”

Leader of Lambeth Council Steve Reed said: “.....

## **ENDS**

### **About the NLE**

The NLE would provide two new Tube stops in the Vauxhall, Nine Elms, Battersea (VNEB) Opportunity Area. One would be located at Wandsworth Road and another at Battersea Power Station.

The construction of the new underground tunnel and stations will be funded largely through a levy on private development sites in VNEB.

The scheme is expected to cost around £950 million.

Three years of detailed planning and design work are already complete and the scheme received widespread backing during its first and second round public consultation.

The Transport and Works Act Order is expected to be submitted in 2013 and the Tube link open for business by 2018.

The scheme is supported by TfL, Wandsworth Council, Lambeth Council the Mayor of London and was backed by Chancellor George Osborn in his 2011 Autumn Statement as a key measure to drive up growth.

### **About VNEB**

The VNEB Opportunity Area includes 450 acres of land between Battersea Park and Lambeth Bridge on the South Bank of the Thames.

Property value is expected to rise faster in Nine Elms than in any other part of London according to property agency Knight Frank. The company has forecast growth of [140 per cent by 2016](#).

The London plan anticipates up to 16,000 new homes and 25,000 new jobs will be created as Nine Elms changes from a light industrial zone to a mixed residential and business district.

A new footbridge across the Thames will linking Nine Elms to neighbouring Westminster.

Work is now underway on major developments in the area including St George's [Vauxhall Tower](#) scheme and St James Group's [Riverlight development](#).

Other schemes have recently secured planning permission including the new American Embassy, Battersea Power Station and [Marco Polo House](#).

Other major schemes include:

- [Parkside](#)
- [Embassy Gardens](#)
- [The Garden at New Covent Garden Market](#)
- [One Nine Elms](#)
- [Sainsbury's](#) Nine Elms
- Vauxhall Island
- [Vauxhall Square](#)
- Sky Gardens
- Hampton House
- 30-60 South Lambeth Road
- Black Prince Road
- Marco Polo House
- Battersea Gas Holders

Find out more at [www.wandsworth.gov.uk/nineelms](http://www.wandsworth.gov.uk/nineelms)