

GREATER LONDON AUTHORITY

REQUEST FOR MAYORAL DECISION – MD3327

Consultation on proposal for a Mayoral Development Corporation for Oxford Street

Executive summary:

This decision form proposes carrying out a public consultation on the Mayor's proposals to designate a new Mayoral Development Area (MDA) for Oxford Street, and if such an MDA is designated, the proposed establishment of a new Mayoral Development Corporation (MDC) by the Secretary of State. The proposed MDC, which would be named the Oxford Street Development Corporation, would be responsible for securing the regeneration of Oxford Street and its immediate surroundings, with the aim of addressing the under-performance of the street, creating an attractive environment (for residents and visitors) and driving economic growth. The proposed consultation document will set out the Mayor's proposals, objectives and rationale with the aim, subject to consultation and consideration by the London Assembly, of the MDC becoming operational by 1 January 2026. It is also proposed that the consultation will seek high-level views on the principle of the pedestrianisation of Oxford Street, following on from previous public consultations on this issue in 2017 and 2018. In order to expedite the delivery and analysis of the consultation responses, it is proposed that TfL, which has experience and expertise in delivering consultations, will deliver the consultation and produce the consultation report, and will appoint a third-party consultant to analyse the consultation responses. For TfL to undertake this role it is necessary for the Mayor to delegate the statutory powers to TfL for that purpose. It is also proposed that the Mayor approves expenditure of up to £150,000 to cover the costs of the consultation and appointment of a consultant and the transfer of this to TfL.

Proposed Decision:

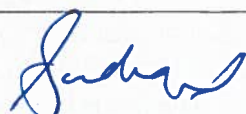
The Mayor:

- decides to carry out a nine-week consultation on proposals to designate a Mayoral Development Area (MDA) for Oxford Street, and the proposed Mayoral Development Corporation (MDC)'s statutory functions relating to planning matters and discretionary relief from non-domestic rates and that this consultation includes the public and any stakeholders as required under sections 197, 202 and 214 of the Localism Act 2011
- approves the publication of consultation documents that:
 - set out the Mayor's proposals to designate an MDA as described immediately above
 - include questions seeking views on the principle of the pedestrianisation of Oxford Street
- delegates to TfL as set out in Appendix 3 some of the Mayor's functions for the purposes of the delivery of the consultation (the Delegation)
- approves expenditure of £150,000 for the delivery of the consultation, including the appointment of a consultant to analyse consultation responses and for that money to be transferred to TfL
- pursuant to section 38(1) and (2) of the GLA Act delegates authority to the Executive Director of Good Growth to:
 - approve the final content of the consultation documents and all supporting materials and any other connected details
 - finalise the transfer of £150,000 referred to above to TfL and agree the terms for the payment pursuant to the Delegation referred to above.

Mayor of London

I confirm that I do not have any disclosable pecuniary interests in the proposed decision and take the decision in compliance with the Code of Conduct for elected Members of the Authority. The above request has my approval.

Signature:



Date:

24/2/25

PART I – NON-CONFIDENTIAL FACTS AND ADVICE TO THE MAYOR

Decision required – supporting report.

1. Introduction and background

- 1.1. The Localism Act 2011 (the 2011 Act) provides the legislative basis for the Mayor of London to designate Mayoral Development Areas (MDAs) and for the Secretary of State to establish Mayoral Development Corporations (MDCs) to drive regeneration in those areas. To help pursue that overriding purpose, the 2011 Act gives all MDCs wide powers relating to infrastructure, regeneration, development and other related activities. The 2011 Act also allows the Mayor to decide that the MDC is to be the local planning authority for the area for certain purposes; and to have powers in relation to discretionary relief to non-domestic (business) rate payers.
- 1.2. The London Plan 2021 identifies Oxford Street, which welcomes approximately 120m visitors a year, as one of two international centres within the Central Activities Zone (CAZ). As well as an internationally recognised destination, it is a major element of the West End, London and the national economy, contributing an estimated £25bn to London's GVA in 2022.
- 1.3. Like other high streets, Oxford Street has suffered in recent years due to a combination of the pandemic, the growth of online shopping and other factors. Compared to other similar locations, however, Oxford Street is under-performing. It was already in a slow decline pre-pandemic and has subsequently recovered more slowly across several metrics than both direct local comparators (Bond Street and Regent Street) and the wider West End and CAZ. For example, November 2024 data indicates that footfall on Oxford Street is 43 per cent below 2006 levels, compared to just 2 per cent and 17 per cent respectively for Bond Street and Regent Street. This suggests that visitor, investor and business expectations on the quality of the environment, amenities and retail and leisure offer are not being met.
- 1.4. The relevant local authorities, Westminster City Council and the London Borough of Camden, have made progress delivering improvements, such as reducing the number of candy shops and bringing a more diverse range of retail to the street. There have also been significant efforts to coordinate action across landowners, businesses and local councils to improve the street. Together with NWECC, the Business Improvement District for the area, Westminster City Council have delivered positive results. However, given the surrounding areas, such as Regent Street and Bond Street, are recovering at a faster rate than Oxford Street, it is clear a new approach would help to drive transformation.
- 1.5. To achieve this, the Mayor proposes, subject to consultation, including consultation with and consideration by the London Assembly, to designate an MDA covering Oxford Street and its immediate surroundings, enabling the subsequent establishment by the Secretary of State of a new MDC to transform the environment and secure the regeneration of the area included within the MDA boundary. It is intended that the MDC would be operational from 1 January 2026.
- 1.6. Before designating an MDA, the 2011 Act requires the Mayor to consult on his proposals with a range of statutory consultees as well as any other person he considers appropriate.
- 1.7. The Mayor's approval is sought to carry out a nine-week public consultation on his proposals to designate an MDA for the purposes described at paragraph 1.5 above. It is proposed that the public consultation will commence on 28 February 2025. This decision also seeks the Mayor's approval to delegate to the Executive Director of Good Growth agreement of the final content of the consultation documents and supporting materials and any other connected details, as well as finalising the transfer of £150,000 to TfL and the terms for the payment pursuant to the delegation to TfL referred to below to carry out the consultation.
- 1.8. It is proposed that the consultation will not only cover questions around the proposed MDA and MDC, but will also seek the public's views on the principle of the pedestrianisation of Oxford Street as a way of contributing to and maximising the benefits of the MDC. The pedestrianisation proposal will be

subject to further development and assessment, including additional engagement and public consultation, if it is pursued.

- 1.9. An outline of the key points that will form part of the consultation has been prepared and can be seen in Appendix 1. The consultation will include the Mayor's proposals as to whether the MDC is to be vested with certain functions and powers relating to planning and granting discretionary relief from non-domestic rates under sections 202 and 214 of the 2011 Act. Appendix 2 provides the proposed boundary of the MDA over which the MDC will exercise its powers. The consultation documents and supporting materials are being prepared and will be finalised shortly.
- 1.10. In order to expedite the delivery and analysis of the consultation, it is proposed that TfL, which has extensive experience and expertise in carrying out consultations, and has available resource to do so, will deliver the consultation and produce the consultation report, including the appointment of a third-party consultant to analyse the consultation responses on behalf of the Mayor. In order for TfL to undertake this role, it is necessary for the Mayor to delegate powers as set out in Appendix 3. It is also proposed that the Mayor approves expenditure of £150,000 to cover the costs of the delivery of the consultation and appointment of a consultant by TfL and the transfer of this sum to TfL. It is also proposed that the Mayor approves a delegation to the Executive Director of Good Growth to finalise the transfer of the funding referred to above to TfL and agree the terms for the payment pursuant to the Delegation.
- 1.11. The decision to consult is not being delegated, and the decision on the designation of an MDA will remain with the Mayor. TfL's role will be limited to carrying out the consultation and preparing a report for the Mayor. It will be for TfL to decide how best to manage and organise its work in carrying out the consultation, analysing the consultation responses and preparing a report on the responses, subject to the express powers of oversight and direction set out in Appendix 3.
- 1.12. The sum of £150,000 will primarily fund:
 - the production of accessible materials for the consultation (in easy-read, BSL and audio formats)
 - the means to publicise the consultation through a variety of tools and channels (including any associated design work)
 - the appointment of a consultant to analyse consultation responses.

2. Objectives and expected outcomes

- 2.1. The Mayor's vision for Oxford Street is to maximise its economic and social potential as a globally renowned retail and leisure destination and to deliver the greatest possible benefits for businesses in the area, for London and for the wider UK economy.
- 2.2. Achieving this vision would depend upon the successful regeneration of the area, including:
 - the development of an attractive and inclusive neighbourhood that welcomes people of all ages and backgrounds
 - the provision of a high-quality, sustainable, and climate-resilient public realm
 - and the curation of the retail and leisure offer, including activation of the street as a visitor destination.
- 2.3. The proposed establishment of an MDC and pedestrianisation of Oxford Street would be key steps in delivering this. The MDC would provide sustained and focused leadership for the regeneration and transformation of the area, and pedestrianisation would create new opportunities for the use of the street and the improvement of its environment.

- 2.4. As set out in section 201 of the 2011 Act, 'the object of an MDC is to secure the regeneration of its area' and an MDC 'may do anything it considers appropriate for the purposes of its object or for purposes incidental to those purposes'. Within that context, the Mayor proposes the mission of the Oxford Street MDC would be to deliver his vision as set out above.
- 2.5. Should an MDC be established it would deliver the following objectives:
- to develop strategies and provide visible leadership to address Oxford Street's ongoing under-performance as a visitor destination and economic driver
 - to maintain and improve the attraction of Oxford Street to visitors, investors and employers
 - to build confidence and attract investment by promoting Oxford Street as a globally significant retail and leisure destination
 - to facilitate the delivery of detailed proposals for any agreed public realm interventions, and coordinate the management and operation of the street to provide a safe and welcoming environment for visitors, workers and residents
 - to support the development of Oxford Street's retail and leisure offer, including curating an ongoing programme of activations to provide a world-leading visitor experience
 - to establish a dedicated and locally based team with the right skills and experience to achieve the regeneration of Oxford Street
 - to harness exemplar design, including a strong focus on inclusion and accessibility, to deliver a world-class, attractive, sustainable and climate-resilient public realm
 - to achieve London Plan targets for comparison shopping and office space
 - to improve coordination and build consensus through effective engagement with key stakeholders, service providers, businesses and the local community
 - to develop and implement sustainable commercial and financial strategies to support the long-term curation, activation and operation of the area
 - to respect the role and importance of the two local authorities within whose boundaries the MDA would be sited.

3. Equality comments

- 3.1. Under section 149 of the Equality Act 2010 (the Equality Act) the GLA (including the Mayor) as a public authority must comply with the Public Sector Equality Duty when exercising its functions. This is a duty to have due regard to the need to eliminate discrimination, harassment and victimisation, and any conduct that is prohibited by or under the Equality Act. There is also a duty to advance equality of opportunity, and foster good relations, between people who share a protected characteristic and those who do not. This involves having due regard to the need to remove or minimise any disadvantage suffered by those who share a relevant protected characteristic that is connected to that characteristic; taking steps to meet the different needs of such people; and encouraging them to participate in public life or in any other activity where their participation is disproportionately low.
- 3.2. The protected characteristics under section 149 of the Equality Act are: age, disability, gender reassignment, pregnancy and maternity, marital or civil partnership status, race, religion or belief, sex, and sexual orientation. Compliance with the duty may involve ensuring people with a protected characteristic are provided with all the opportunities that those without the characteristic would have.

- 3.3. The Mayor's Equality, Diversity and Inclusion Strategy sets out how the Mayor works to create a fairer, more equal, integrated city where all people feel welcome and able to fulfil their potential. Equality, diversity and inclusion are subsequently enshrined within the GLA's strategies, programmes and activities.
- 3.4. As part of its ongoing legal responsibility to have due regard to the need to promote equality in everything it does, including its decision-making, the GLA will seek to ensure the removal of barriers that may prevent those with protected characteristics benefiting from participating in the consultation. It will achieve this aim by:
- providing accessible consultation documents, including in easy-read and British Sign Language formats, as well as in alternative language versions
 - promoting the consultation widely in London
 - giving respondents to the consultation the opportunity to highlight any accessibility or equality issues they foresee with the principle of pedestrianisation (or the establishment of the MDC).
- 3.5. As noted above, should the proposals to establish an MDC for Oxford Street and to pedestrianise the highway be taken forward, a key aim would be to create an attractive and inclusive neighbourhood that welcomes people of all ages and backgrounds. The consultation materials will include Equalities Impact Assessments (EqIAs) of the proposals and the consultation report will also consider the duty.

4. Other considerations

Key risks and issues

- 4.1. The key risks and issues are set out in the table below.

| Risk | Likelihood | Impact | Mitigation | RAG rating |
|--|-------------------|---------------|--|-------------------|
| Delays in recruitment and procurement result in delays to key consultation milestones. | Medium | Medium | While new resource has been agreed to enable the project to progress, delays in recruitment or follow-on activities (such as procurement) may create delays in starting the work (particularly the larger pieces of work such as the consultation activity). This is currently being mitigated by the temporary redeployment of existing staff from other projects and programmes to progress and the delegation to TfL. | Amber |
| Increased costs for consultation analysis due to high volume of responses. | Medium | Medium | Costs are based on large previous consultations. | Amber |

Links to Mayoral strategies and priorities

- 4.2. The proposed expenditure is expected to deliver against multiple objectives included in:
- the London Plan
 - the Mayor's Economic Development Strategy
 - the Culture Strategy for London

- the 24-hour London vision
 - the Healthy Streets agenda.
- 4.3. The London Plan 2021 identifies Oxford Street as part of one of two international centres with the CAZ.
- 4.4. The work outlined in this MD will contribute towards the following Mayoral policies and priorities:
- London Plan Policy:
 - GG3: creating a healthy city
 - GG5: growing a good economy
 - policy SD4: the CAZ
 - policy SD6: town centres and high streets
 - policy SD10: strategic and local regeneration
 - policy D8: public realm
 - Economic Development Strategy:
 - promote the importance of well-designed, inclusive and high-quality public spaces, buildings and housing
 - work with local authorities, the voluntary, community and social enterprise sector to enable the creation of more socially integrated places
 - help to protect London's role as a global hub for business, ensuring there is sufficient supply of office accommodation and investment in transport and infrastructure
 - help to make more efficient use of London's streets by reducing car dependency and tackling congestion
 - Environment Strategy:
 - objective 4.1: support and empower London and its communities, particularly the most disadvantaged and those in priority locations, to reduce their exposure to poor air quality
 - policy 5.1.2: protect, conserve, and enhance the landscape and cultural value of London's green infrastructure
 - policy 8.2.3: increase the amount of sustainable drainage, prioritising greener systems across London in new developments, and retrofit of existing building stock
 - policy 8.4.5: reduce the impact of heat on streets.

Consultations and impact assessments

- 4.5. Impact assessments were undertaken for all the strategies referenced above. As the proposal set out in this decision will help deliver the objectives of these strategies, the original impact assessments are still relevant to the programme.
- 4.6. In accordance with best practice and the Mayor's public sector equality duty the consultation materials will include EqlAs of the proposals.

- 4.7. It is proposed that the public consultation will run for nine weeks from 28 February to 2 May 2025. Documents will be made available on the consultation website. The consultation will be promoted widely in London. This will include a press release and the use of marketing and digital tools.
- 4.8. The 2011 Act provides that the Mayor may designate an MDA and decide on an MDC's functions and powers in relation to planning matters and discretionary relief from non-domestic rates only if various persons have been consulted and the Mayor has had regard to any comments made in response by the consultees.
- 4.9. The 2011 Act further requires the Mayor to consult with members of the London Assembly and Members of Parliament, who represent a constituency in which the proposed MDA will be located. These are:
- James Small-Edwards (London Assembly Member for Hammersmith & Fulham, Kensington and Chelsea, City of Westminster)
 - Anne Clark (London Assembly Member for Barnet and Camden)
 - Sir Keir Starmer (MP for Holborn and St Pancras)
 - Rachel Blake (MP for Cities of London and Westminster).
- 4.10. It is proposed that the Mayor also invites the views of the public generally on this consultation.

Conflicts of interest

- 4.11. No GLA officer involved in the drafting or clearance of this Mayoral Decision is aware of any conflicts of interest with the proposed programme.
- 4.12. If any conflicts of interest arise during procurement process, officers will be required to declare that interest under the Contracts and Funding Code; and will be excluded from the procurement (or any other related) process or activity. This process will also be in accordance with the Code of Ethics and Standards for Staff and accompanying guidance on registering and declaring interests.

5. Financial comments

- 5.1. A Mayoral decision is sought to carry out a consultation on proposals to designate an MDA for Oxford Street and the proposed MDC's statutory functions relating to planning matters and discretionary relief from non-domestic rates; and on the principle of the pedestrianisation of Oxford Street. Approval is also sought to delegate some of the Mayor's functions as set out above and in Appendix 3.
- 5.2. The direct costs to the GLA of carrying out the consultation, other than the necessary staff time, will be up to £150,000. Approval is sought to transfer this sum to TfL to carry out the consultation and to delegate to the Executive Director of Good Growth the responsibility for finalising the amount and terms of the transfer.
- 5.3. The expected split of expenditure is up to £75,000 in 2024-25 and up to £75,000 in 2025-26.
- 5.4. The draft budget for 2025-26 is sufficient to cover this expenditure within the allocated Oxford Street Transformation Programme budget – subject to formal approval within the Mayor's budget-setting process. Any expenditure incurred within the 2024-25 financial year will require a drawdown from GLA reserves with a notional budget of up to £500,000 allocated for this financial year to the overall programme. The reserves will then be topped-up from the Oxford Street budget in 2025-26.
- 5.5. The consultation document will set out in broad terms how the proposed MDC is expected to be financed and that it may require public subsidy from the Mayor of London. As the MDC would be a functional body of the GLA, its budget would be a component of the Mayor's consolidated budget;

and would be subject to the same budgetary processes, approvals and scrutiny as the rest of the GLA Group. Any public subsidy from the Mayor to operate the proposed MDC would be considered in light of the total resources available when the Mayor's budget for those years is being determined.

- 5.6. If, at any stage of this programme, there is a need for any consultancy work, officers must ensure that the requirements relating to consultancy services within the GLA's Financial Regulations, and the Expenses and Benefits Framework are adhered to.
- 5.7. Should this decision relate to a contract at any stage, officers must ensure compliance with the GLA's Contracts and Funding Code.
- 5.8. Any changes to this proposal will be subject to further approval via the GLA's decision-making process.
- 5.9. The Oxford Street Transformation team, within the Good Growth directorate, will be responsible for managing this project until the MDC becomes operational.

6. Legal comments

- 6.1. As noted above, the 2011 Act sets out the statutory framework for the establishment of MDCs, with the first step being the designation of an MDA by the Mayor. The Mayor can designate an MDA only if he considers it expedient for furthering one or more of the GLA's principal purposes as set out at section 30(2) GLA Act. These are:
 - promoting economic development and wealth creation in Greater London
 - promoting social development in Greater London
 - promoting the improvement of the environment in Greater London.
- 6.2. Section 197(3) of the 2011 Act provides that the Mayor may designate an MDA only if he has consulted the persons specified in section 197(4) of 2011 Act (and has had regard to any comments made in response). This includes members of the London Assembly, each London borough council whose borough contains any part of the proposed MDA and "any other person" whom the Mayor considers it appropriate to consult.
- 6.3. Sections 202 and 214 of the 2011 Act further provide that the Mayor can decide that the MDC is to have certain functions and powers relating to planning and discretionary relief from non-domestic rates. Before making a decision in relation to those functions and powers, the Mayor must also consult with those persons stated in section 197(4) of the 2011 Act.
- 6.4. The Mayor is also revisiting proposals for the pedestrianisation of Oxford Street, which were the subject of extensive public consultation in 2017 and 2018. Pedestrianisation has the potential to make a significant contribution towards achieving the aims of the proposed MDC. To that end, the consultation will seek consultees' views on the principle of pedestrianisation in addition to issues relating to the proposed MDA and the MDC.
- 6.5. A further Mayoral Decision will be necessary in relation to the proposed designation of the MDA following the outcome of the consultation and the Mayor's consideration of the responses and consideration by the London Assembly.
- 6.6. Section 35(3) of the GLA Act provides that any function conferred on the Mayor by or under the GLA Act or any other Act shall be taken to be a function of the GLA exercisable only by the Mayor acting on behalf of the GLA. The duty to consult under sections 197, 202 and 214 of the 2011 Act is therefore exercisable by the Mayor on behalf of the GLA. Section 34(1) of the GLA Act allows the GLA, acting by the Mayor or the London Assembly or both, to do anything which is calculated to facilitate, or is conducive or incidental to, the exercise of any of the GLA's functions exercisable by the Mayor.

- 6.7. Under section 38 of the GLA Act 1999, any function exercisable on behalf of the GLA by the Mayor shall also be exercisable on behalf of the GLA by any of the bodies or persons specified in subsection (2), if or to the extent that the Mayor so authorises, whether generally or specially, and subject to any conditions imposed by the Mayor. TfL is one of the bodies specified in subsection (2). The exercise of the power to delegate functions under s38 is a matter reserved to the Mayor under the Mayoral Decision Making in the GLA framework. The delegation to TfL is set out in Appendix 3.
- 6.8. The delegation to TfL is made subject to standard terms and conditions set out in Appendix 3. The condition set out in sub-para (4) concerning co-operation with the GLA Monitoring Officer is a requirement of section 73(6) of the GLA Act.
- 6.9. The Mayor has statutory power to authorise expenditure up to £150,000 to cover the costs of carrying out the delivery of the consultation and appointment of a consultant and for that money to be transferred to TfL.
- 6.10. Pursuant to section 38 of the GLA Act, any function exercisable by the Mayor on behalf of the GLA may also be exercised by any member of staff of the GLA, including the Executive Director of Good Growth, subject to any conditions that the Mayor sees fit to impose. To this end, the Mayor may make the requested delegation to the Executive Director of Good Growth.

7. Planned delivery approach and next steps.

- 7.1. Set out below is the estimated timing for how the project will be delivered, if approved.

| Activity | Timeline |
|--|---------------------|
| Public consultation | February - May 2025 |
| Issue Mayoral consultation response report | June - July 2025 |
| Subject to completion of the London Assembly consideration period, the Mayor to publish his MDA designation and notify Secretary of State, if applicable | July - August 2025 |
| MDC becomes operational, if applicable | January 2026 |

Appendices and supporting papers:

Appendix 1: MDC outline consultation document

Appendix 2: Proposed Mayoral Development Area

Appendix 3: Mayoral Delegation to TfL for the delivery of the MDA consultation

Public access to information

Information in this form (Part 1) is subject to the Freedom of Information Act 2000 (FoIA) and will be made available on the GLA website within one working day of approval.

If immediate publication risks compromising the implementation of the decision (for example, to complete a procurement process), it can be deferred until a specific date. Deferral periods should be kept to the shortest length strictly necessary. **Note:** This form (Part 1) will be published either within one working day after it has been approved or on the defer date.

Part 1 – Deferral

Is the publication of Part 1 of this approval to be deferred? YES, until consultation launches 28 February 2025.

Part 2 – Sensitive information

Only the facts or advice that would be exempt from disclosure under the FoIA should be included in the separate Part 2 form, together with the legal rationale for non-publication.

Is there a part 2 form? NO

ORIGINATING OFFICER DECLARATION:

Drafting officer to confirm the following (✓)

Drafting officer:

Matt Ruddy has drafted this report in accordance with GLA procedures and confirms the following:

✓

Sponsoring Director:

Philip Graham has reviewed the request and is satisfied it is correct and consistent with the Mayor's plans and priorities.

✓

Mayoral Adviser:

Will Norman has been consulted about the proposal and agrees the recommendations.

✓

Advice:

The Finance and Legal teams have commented on this proposal.

✓

Mayoral Delivery Board

This decision was agreed by the Mayoral Delivery Board on 13 January 2025.

✓

CHIEF FINANCE OFFICER:

I confirm that financial and legal implications have been appropriately considered in the preparation of this report.

Signature:

Ray Hammond

Date:

19/02/2025

CHIEF OF STAFF:

I am satisfied that this is an appropriate request to be submitted to the Mayor.

Signature:

D. Bellamy

Date:

18/02/2025