

Board name: Oxford Street Development Corporation (OSDC) Board

Title of report:	Oxford Street Development Corporation Draft Budget for 2026-2027
Report of:	Chair of the Board
Date:	7 January 2026
Public Access:	This report will be considered in a closed session. Appendix A is confidential by virtue of paragraph(s) 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

1. Summary

- 1.1. This paper sets out high level information regarding the Oxford Street Development Corporation's (OSDC) draft budget for 2026-2027. The Board is asked to **note** this report and **note** that the 2026-27 OSDC Draft Budget at Appendix A will be discussed in a closed session.

2. Recommendations

The Board is invited to:

- 2.1 **Note** this paper and **note** that the 2026-27 OSDC Draft Budget at **Appendix A** (see agenda Item 16) will be discussed in a closed session.

3. Background

- 3.1. In September 2024, the Mayor of London announced a transformative vision for Oxford Street. It is the Mayor's ambition to restore the area as a world-class destination, worthy of its historic international reputation and central location, and to make Oxford Street a street Londoners can once again be proud of.
- 3.2. To drive these changes, the Mayor confirmed his intention to create the OSDC, a new functional body and member of the GLA Group, established on 1 January 2026.
- 3.3. The OSDC is responsible for delivering the Mayor's vision for the regeneration and transformation of Oxford Street (subject to consultation). The OSDC will work alongside government, businesses, local councils and Londoners to develop and deliver a bold new vision for Oxford Street.
- 3.4. The Mayor has already invested £4.7m of his 2025-26 Budget to establish the Oxford Street Transformation Programme. The outstanding balance on the 2025-26 GLA budget for the programme will be transferred to the OSDC to ensure the ambitions of the Oxford Street Transformation programme continue to be delivered at pace for the remainder of the financial year. An additional £3.3m were allocated to Transport for London (TfL) to develop detailed plans for the pedestrianisation of Oxford Street and consult on those beginning in the Autumn of 2025. That consultation is now live and will close on 16 January 2026.

- 3.5. As the OSDC has now been established, its work will now be incorporated as an additional functional body in the Mayor's annual budget plans for the GLA Group from 2026-27.
- 3.6. This report sets out the OSDC's draft budget submission to the Mayor of London (the Mayor) in accordance with the Mayor's Budget Guidance for 2026-27, which was published on 9 July 2025. This required that the OSDC submit its budget submission to the Mayor after its incorporation.
- 3.7. In line with the requirements of the Budget Guidance, this draft budget submission shall consist of:
- the Revenue Budget covering a three-year period, from 2026-27 to 2028-29
 - the Capital Spending Plan
 - the OSDC's contribution towards the London Climate Budget.
- 3.8. This draft budget will be scrutinised by the Mayor in January 2026 and will be subject to further revisions. The Board will be invited to approve the final budget in March 2026.

4. Issues for Consideration

- 4.1. The OSDC draft budget is being prepared at a crucial time to enable the operational set up of the OSDC during its first year of operation, to support the delivery of a high-quality planning service (subject to parliamentary process), to progress the delivery of high-quality public realm improvements to Oxford Street, and to facilitate broader engagement activities, including public space activation and partnership building.
- 4.2. The 2026-27 budget will build on the successes and key milestones achieved since September 2024, which include:
- a nine-week consultation on proposals for the designation of a Mayoral Development Area (MDA) and the subsequent establishment of a new Mayoral Development Corporation (MDC) that will support the regeneration of Oxford Street
 - Closing Oxford Street to traffic for a landmark one-day 'This is Oxford Street' event on 21 September 2025
 - Procurement of a design/architecture team for the public realm
 - The launch of a further consultation on proposed traffic modifications to enable the pedestrianisation of Oxford Street
 - The creation of the OSDC on 1 January 2026 to deliver the Mayor's vision for Oxford Street.
- 4.3. The OSDC's key priorities and deliverables for 2026-27 include:
- Progressing transport and traffic proposals to inform any future pedestrianisation scheme (subject to consultation and future decision) and public realm improvements
 - Developing a longer-term vision and strategy for commercial activation

- Developing partnerships with key stakeholders to drive the transformation of the Oxford Street area
- A programme of activation and events in Oxford Street
- Operating statutory planning functions as a local planning authority
- Building the skills, enabling services and capacity in the Corporation to meet its delivery objectives.

Risks and Issues

- 4.4. An important part of the OSDC securing value for money is the identification and mitigation of risks. The Corporation has processes in place to regularly review risks at a project, directorate and corporate level.
- 4.5. The table below sets out some of these risks (financial and non-financial) and the mitigations in place:

Risk	Likelihood	Impact	Mitigation	RAG rating
Insufficient funding to meet the costs of the public realm and transport scheme.	3	5	Identification of cost-effective routes to delivery; development of a commercial strategy to reduce funding requirement from the GLA Group.	Amber
Insufficient funding to cover the OSDC's operational costs.	2	5	Ongoing revision of operational costs; development of a commercial strategy to reduce funding required from the GLA Group.	Green
Lack of interest from commercial partners and inability to fundraise.	2	4	Early engagement with businesses and other organisations (e.g. philanthropic) and development of offers to support commercial partnerships.	Amber

5. Equality Comments

- 5.1. The OSDC must comply with the Public Sector Equality Duty under section 149 of the Equality Act 2010 which means it must when carrying out its functions have 'due regard' to the need to eliminate unlawful discrimination, harassment and victimisation, as well as to the need to advance equality of opportunity and foster good relations between people who share a protected characteristic and those who do not.

- 5.2. An Equalities Impact Assessment was completed to support the consultation and subsequent decision on the Mayor's proposals to designate an MDA and subsequently an MDC for Oxford Street. This impact assessment provided an assessment of the impacts on people with protected characteristics. A separate Equalities Impact Assessment was completed in relation to the consultation on the principle of pedestrianisation of Oxford Street. The full EqlAs are available online at: [TfL/Mayor of London, Have your say: Oxford Street transformation.](#)
- 5.3. An EqlA was also prepared to support the public consultation on TfL's traffic and highways proposals for the first phase of Oxford Street's pedestrianisation. That can be found at [Oxford Street - proposals for transport and highway changes | Have Your Say Transport for London](#)
- 5.4. The OSDC budget will support the OSDC's key aim to support economic growth by creating an attractive and inclusive neighbourhood that welcomes people of all ages and backgrounds. The OSDC must have 'due regard' to the need to eliminate unlawful discrimination, harassment and victimisation, as well as to the need to advance equality of opportunity and foster good relations between people who share a protected characteristic and those who do not.

6. Financial Implications

- 6.1. The draft budget submission (Appendix A), as discussed in the closed session, will be reviewed by the Mayor as part of the budget-setting process.

7. Legal Implications

- 7.1. Legal considerations have been taken into account in the preparation of this paper where applicable.

List of appendices to this report:

- **Appendix A** – OSDC 2026-2027 Draft Budget (To be tabled - to allow the proper officer to confirm decisions under Part VA of Local Government Act 1972 regarding exempt information.)

List of background papers to this report: None.

Contact Information

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