OLD OAK AND PARK ROYAL
DEVELOPMENT CORPORATION

One of the UK's largest regeneration projects is managed by the Old Oak and Park Royal Development Corporation (OPDC).

MAYOR OF LONDON

Draft Unaudited Annual Report and Accounts

For the year ended 31 March 2026

Contents

Foreword from the Chair and CEO

This year has seen major steps to move from ambition to delivery, to turn our vision to transform London's largest brownfield regeneration opportunity into a place where global opportunities become local into reality.

We strengthened our role as landowner and steward, securing 94% of the land needed to deliver the new district. This achievement gives us the platform we need to move confidently into the next phase of delivery.

We also laid the groundwork for long-term transformation. The approval of the Compulsory Purchase Order, the completion of the Interim Business Plan, and the finalisation of the Public Land Agreement all led to the launch of development partner procurement. This is one of the most important milestones in OPDC's history — the moment we bring in a partner to help shape the next 20 years of Old Oak's future.

Alongside these strategic steps, we delivered real, visible change on the ground. North Acton Square has been transformed from an underused cut-through into a welcoming community space. The Minerva Road Circular Economy Hub — the first of its kind in London — opened its doors and is already delivering environmental and social impact at scale. And across the area, we improved parks, playgrounds, streets and green spaces, working closely with our partners to enhance everyday life for local people.

Our work this year also deepened our commitment to the local community, reaching thousands of residents, businesses, students and young people. The launch of the Residents' Panel created a direct line between local people and our Board. Our Small Grants Programme supported dozens of community-led organisations, totalling investment of over £380,000. Our communities are a celebration of London's diversity and ensuring they shape the future of this place remains central to our mission.

We have also strengthened the organisation itself — improving governance, embedding sustainability, investing in staff development and building a culture rooted in integrity, collaboration and inclusivity. These foundations matter. They ensure we are ready for the scale of delivery ahead.

Looking forward, the next year will be pivotal. We will maintain momentum on land, planning and infrastructure; continue improving public spaces; and prepare for the appointment of a long-term development partner. This is the moment Old Oak moves from planning to delivery at scale — from vision to reality.

Old Oak and Park Royal is becoming a district of opportunity, creativity and connection. A place where world-class transport links meet world-class ambition. A place shaped with and for its communities. And a place that will play a major role in London's future prosperity.
Thank you to our partners, our communities, our Board and our dedicated staff for their commitment and belief in what this place can become. Together, we are building a new part of London — one that is inclusive, innovative and full of possibility.

Dame Karen Buck
Chair

Matthew Carpen
Chief Executive Officer

Narrative Report

An introduction to Old Oak and Park Royal Development Corporation

The Old Oak and Park Royal Development Corporation (OPDC) is a Mayoral Development Corporation (MDC), established in 2015 to lead the regeneration of the 650-hectare Old Oak and Park Royal Opportunity Area, one of the largest regeneration schemes in London. OPDC's statutory purpose is to deliver thousands of new and affordable homes, high quality workspaces and major infrastructure improvements, transforming the area into a thriving and inclusive new urban district for London.

At the heart of this transformation will be the new High Speed Two (HS2) interchange at Old Oak Common, where HS2, the Elizabeth line and Great Western rail services will create one of the best-connected transport hubs in the UK.

OPDC is the statutory Local Planning Authority for the area and delivery agency, with responsibilities for land assembly, compulsory purchase, housing delivery and infrastructure development. These powers span three London Boroughs, Ealing, Brent and Hammersmith and Fulham, enabling coordinated planning and delivery.

Over the past year, OPDC has made considerable progress in implementing the Corporate Strategy, aligning with the planning framework set out in the Local Plan and maintaining a strong focus on delivery, partnership working and community benefits. The corporation has achieved the key aims to further delivery at Old Oak, having assembled the majority of land required for comprehensive development and successfully launched procurement for a joint venture partner in May 2026. OPDC's vision, mission and organisational values underpin all aspects of its work, guiding the Corporation's approach to regeneration and shaping the long-term future of Old Oak and Park Royal.

Our Vision: A place where global opportunities are local

By creating a new district, with first-class connectivity across London and beyond, our vision is to make our global opportunities local, offering better choices and life changes for everyone living, working in and visiting Old Oak and Park Royal, both existing residents and newcomers alike, with benefits extending to the rest of our capital city and to the regions beyond.

Our communities are a celebration of London's diversity and provide a strong foundation for a thriving new urban quarter that will feel truly inclusive and full of all the best things that London has to offer.

Our Mission: To maximise the potential of the new Old Oak Common Station and deliver outstanding and innovative regeneration, positively impacting the lives and the environment for everyone in the community.

We will organise and manage the land and infrastructure around the new Old Oak Common superhub station to ensure we make the most of adjacent developments sites to deliver exemplar and eco-friendly regeneration, creating many thousands of new and affordable homes, a wide range of employment, and a great place, with many new amenities, thriving streets and high-quality services.

Our Goals: To deliver the three pillars for success

The Corporate Strategy enshrines three thematic pillars: delivery, community and innovation. They define the 'what' and the 'how' and form the basis of our work. The strategy is supplemented with our more detailed annual Management Plan that sets out our detailed objectives and Key Performance Indicators (KPIs). Each of our three pillars is supported by a series of pledges that we commit to deliver.

Delivery – *Realising ambition through action*

- Establish our role as a landowner and steward
- Secure the next right investment and partnership
- Deliver positive change and local enhancements now
- Maximise affordable homes and funding for new and improved infrastructure
- A strategic approach to deliver comprehensive regeneration

Innovation – *A vision of industrial innovation*

- Net-zero and nature-positive regeneration
- Jobs for the future and local prosperity

Community – *A place for everyone, reflecting local needs and aspirations*

- Empower everyone to have a say in the future of the area
- Celebrate and champion diversity, heritage and local identity
- Build capacity for the future
- Care for and protect the local area

Enabled by our Core Functions and corporate functions, our pledges for an efficient, equitable and future proofed workplace include:

- The right capacity and capability to deliver
- Foster a people-centred approach
- Embed equity, diversity and inclusion in everything we do

Underpinning our three pillars is a set of values, which support our commitment to being an efficient, adaptable and equitable team that nurtures and grows talent, ensuring we are fit for the future. These are at the heart of our ways of working, our corporate culture and our decision making.

Ambition	Nurturing creativity, talent, determination and innovation, challenging boundaries and barriers to create an exemplar new place.
Collaboration	Fostering and promoting a collaborative approach, listening to, sharing ideas with and building relationships with our partners, stakeholders, communities and each other.
Stewardship	Stewarding the area with a strong social and environmental responsibility to protect and uphold Old Oak and Park Royal's

	identity, reflecting its heritage, preserving its nature, and looking after it's environment and communities.
Inclusivity	Championing London's rich diversity, where all are welcomed and valued, ensuring we create an equitable culture within the team and in the places we create.
Curiosity	Learning from others' experiences, insights and perspectives. Continually evolving by asking why and looking for new and better ways of doing things to shape the future of our area.
Integrity	Applying consistency in our actions, and not just our words. Taking ownership of commitments and standing accountable to our partners, colleagues and communities with honesty and conviction.

Development and Achievements: Our Performance

Delivery: Realising ambition through action

Establishing our role as landowner and steward

Land Assembly

- We have made strong progress on land assembly, securing 29 of the 31 hectares required for the Old Oak project, bringing public sector ownership to 94%.
- The Old Oak Compulsory Purchase Order (CPO) received approval from OPDC's Board and the Mayor of London.
- We continue to actively manage OPDC-owned land and property, including delivering meanwhile uses and supporting tenant relocations in line with our Land Assembly and Relocation Strategy.

Old Oak Interim Business Plan

- OPDC has completed the Old Oak Interim Business Plan (IBP), building on the Outline Business Case (OBC) approved in March 2024 and submitted it to government stakeholders.
- The IBP sets out the actions required to deliver the Old Oak project in line with strategic objectives, with a strong emphasis on procurement, private sector partnering and land acquisition.

Old Oak Public Land Agreement

- OPDC has finalised the Old Oak Public Land Agreement (PLA) with the relevant landowners.
- The PLA establishes a long-term approach to transferring land to the future development partner, applying a patient capital methodology and funded through receipts from the partner.

Public Realm Improvements

- In partnership with the London Borough of Ealing, we delivered upgrades to Midland Terrace Playground, including new play facilities, improved accessibility and enhanced planting, alongside a community-designed mural.

- Our joint work with Ealing has also progressed improvements to Wesley Playing Fields. Final designs are complete following community engagement, with construction commencing in summer 2026.
- We have developed detailed designs for interim improvements to Victoria Road and Old Oak Lane, introducing new cycle lanes, better crossings and enhanced greening to support walking and cycling.
- We expanded our long-term partnership with the Canal & River Trust, delivering the fifth year of the Greenspace Volunteering programme on the Grand Union Canal. This included local businesses adopting sections of towpath, regular volunteer planting to boost biodiversity and a range of creative community activities.
- We transformed North Acton Square into a vibrant community space, working with partners to strengthen local enterprise and community activity. This included new business and community facilities and environmental improvements that have created a more welcoming, people focused public realm.

Securing the right investment and partnership

Development Partner

- We completed multiple rounds of market engagement with major investors and developers, confirming strong appetite for partnership and investment in Old Oak.
- Procurement for a private sector delivery partner launched on 28 May 2026, marking a significant milestone in moving into delivery. The two-stage process will run through 2026, with selection of a preferred partner targeted in early 2027 to establish long-term joint venture and deliver the regeneration of Old Oak.

Deliver positive changes and local enhancements now

Early Site Delivery

- The Minerva Road Circular Economy Hub, London’s first, opened in April 2025 and has already gained national recognition, including being shortlisted for the 2026 Developer Pineapple Awards (Climate Resilience).
- Since launch, it has salvaged 77 tonnes of materials, almost four times its target and redistributed over 21 tonnes to local businesses and community groups. The Hub now supports 28 organisations and has hosted a series of high-profile events with London’s leading universities.
- We also helped deliver the Circular Economy School, which attracted over 125 local applicants. Ten participants were selected for a 15-week paid programme at London Living Wage, developing product design and circular economy skills.

Maximise affordable homes, jobs and finding contributions for new and improved infrastructure

Approving new homes

- In 2025-26, 1,079 homes were approved, with 5,998 homes now built or under construction across the OPDC area.
- Nearly 7,800 homes now have planning permission, with 39 per cent affordable, and a further 3,000 additional homes in the pipeline.

- This year, all planning applications were determined within statutory determination timescales or timescales as agreed through Planning Agreements with applicants.
- There were three planning appeals during 2025-26.

Planning Enforcement

- We continued to enforce planning conditions and monitor compliance across the area, ensuring that development activity aligns with planning policy and environmental standards.

Planning Policy

- Work has commenced on OPDC's Local Plan Review, with key supporting evidence being developed, including strategic transport modelling, housing needs and economic and town centre uses underway.
- A scoping consultation is expected to take place in early 2027.
- Officers produced a range of other planning policy documents, including the adoption of the Public Realm and Green Infrastructure Supplementary Planning Document (SPD) and a revised Planning Obligations SPD.
- The Public Realm and Green Infrastructure SPD won two national planning awards and a regional award for its innovative approach to inclusive public realm design and optimising green infrastructure provision.

Infrastructure Funding Strategy for Community Infrastructure Levy and Section 106 income

- In 2025-26 to date, Section 106 (S106) funds to a value of £10.53m have been received, £7.39m spent and £9.19m allocated. This includes contributions from both delegated and OPDC-determined planning permissions.
- In 2025-26 to date, OPDC has issued Community Infrastructure Levy Liability Notices to a value of £11.70m. A CIL liability of £61.5k has been collected.
- The Infrastructure Funding Statement (2024-25) sets out that CIL funds will be prioritised for essential infrastructure identified in OPDC's Infrastructure Delivery Plan (IDP) that enables development in the OPDC area.
- In summer 2025, OPDC consulted on the community's priorities for the use of Neighbourhood CIL (NCIL) funds. The responses are being used to inform the future allocation of NCIL.

A strategic approach to comprehensive development

Collaboration

- We signed the Collaboration Memorandum of Understanding (MoU) with the Department for Transport (DfT), Ministry of Housing Communities and Local Government (MHCLG), High Speed 2 Ltd (HS2) and Network Rail (NR).
- The MoU establishes strengthened joint working and collaboration with government departments to deliver regeneration at Old Oak.

Illustrative Masterplan (Delivery)

- The OPDC Board endorsed the Old Oak Illustrative Masterplan in July 2025, followed by the Masterplan Framework in November 2025 after extensive stakeholder engagement.
- Together these documents form a robust foundation for the procurement of a long-term development partner and provide a clear, deliverable vision for the next stage of Old Oak's transformation.

West London Waste Plan

- We completed the Regulation 18 consultation for the updated West London Waste Plan, which closed on 5 February 2026. Feedback has been collated to inform the next stage of the Waste Plan, supporting progression towards Regulation 19 later in 2026.

Innovation: A vision of industrial innovation

Net zero and nature positive regeneration

Sustainability

- We launched the OPDC Climate Literacy training programme for all staff to embed climate awareness, support behaviour change and strengthen organisational capability. 52 per cent of staff completed the training in 2025-26.
- The Sustainability Charter, launched in April 2025, now guides all OPDC decision-making, embedding net-zero, resilience and resource efficiency principles into project design and delivery.

Early Activation Strategy

- In December 2025, we launched an 'Expressions of Interest' process for several vacant sites within our portfolio, attracting interest from over 30 businesses, including local organisations, charities, Small and Medium Sized Enterprises (SMEs), and commercial groups.
- The project, led by OPDC's Asset Management and Design teams is progressing, with continued engagement to support delivery of the Early Activation and Meanwhile Use Strategy in 2026.

Heat Network

- We secured planning approval in December 2025, with design completed to RIBA Stage 3.
- Following discussions with DESNZ, £15.9m of funding was secured in April 2026, strengthening the delivery for the Heat Network.

- Our delivery partner, Hemiko, is making progress towards securing heat offtake agreements and customer supply agreements to support network delivery.

Affordable Workspace

- We supported Small and Medium sized Enterprises (SMES) with a total of £400,000 aimed at enabling the provision of affordable workspace, driving productivity gains through technology and innovation and supporting local job creation and business growth.

Jobs for the future and local prosperity

Skills and training

- We delivered two employer-led training programmes with Garden Studios, supporting local residents to gain skills for film and TV production roles.
- We delivered a careers-led education programme in three local schools with OPDC-commissioned consultant teams (Hemiko, Gort Scott, Allies and Morrison) hosting technical skills workshops for students
- The Street Elite programme supported 19 local young people formerly not in education, employment or training (NEET) who are affected by serious youth crime, supporting them with employability training. Eighteen participants progressed into employment, further training or higher education undergraduate courses
- We worked with the London Borough of Ealing to secure re-accreditation of the Creative Enterprise Zone for North Acton and Park Royal for 2025-28, strengthening support for creative industries.
- Through OPDC's membership of a specialist Institute of Technology. OPDC commissioned a pilot ESOL training programme for food and drink manufacturing workers to support in-work progression and skills development.

Community: A place for everyone, reflecting local needs and aspirations

Empower everyone to have a say in the future

Residents' Panel

- We established a formal mechanism between the community and the OPDC Board, providing structured opportunities for residents to speak directly with the Executive Team and Board Members.
- The Residents' Panel, launched in September 2025, now forms an essential part of OPDC's governance approach, ensuring community perspectives are meaningfully embedded through dedicated engagement sessions.

Engagement Initiatives, Consultation and Events

- We continued the successful implementation of our Community Engagement Strategy, with a comprehensive review later this year. Key highlights include:
- We engaged nearly 2,500 local people through over 50 engagement and partner events, including consultation on our Old Oak Illustrative Masterplan, Neighbourhood Community Infrastructure Levy (NCIL), Wesley Playing Fields, Midland Terrace Playground, our Ideas Book launch, Small Grants celebration and North Acton Square launch. We also attended

Small Grants events, New Gen Festival, Men cap meetings, Brent meets Brazil and HS2 events.

- We reached 300 school children through the Makers Challenge, plus university and college students and young jobseekers, delivering co-design; training and focus groups to young people from some of our most deprived communities.

Celebrate and champion diversity, heritage and local identity

Small Grants Programme

- The Small Grants programme funded 10 community-led organisations this year, reaching 730 community members.
- We rolled out the fifth round of Small Grants in early 2026, which to date has awarded £270,000 to 52 community-led organisations. We received a fantastic response with an overwhelming total of 75 applicants and 19 projects selected to receive funding.

Park Royal

- We delivered London Craft Week and London Design Festival in partnership with Park Royal Design District, attracting over 3,500 visitors and showcasing 60 Park Royal based businesses.
- This marks the fifth consecutive year that Park Royal has featured in the London Design Festival's annual programme, further strengthening its reputation as one of London's most vibrant creative districts.

Build capacity for the future

Inclusive Growth

- OPDC has restructured its economic development function into the Inclusive Growth team, delivering new partnerships, business support, training and sector-linked skills pathways.

Care and protect for the local area

Outreach activities and volunteering programmes

- We expanded staff volunteering opportunities through partnerships with a wide range of local organisations, supporting 61.5 volunteer days across activities such as Canal & River Trust clean ups, food bank support and local festivals.

Inclusive engagement

- We continue to use a variety of both online and offline platforms to consult and engage with audiences.
- We strengthened collaboration with local stakeholders to share updates, amplify communication and reach community groups through trusted networks.
- We developed a new OPDC website to create a single, accessible hub for residents, stakeholders and partners, designed to improve access to planning information, regeneration updates and participation opportunities. The website is due to launch in summer 2026.

- We increased OPDC's digital reach, with 1,353 new social media followers and 24,891 engagement interactions this year, increasing regeneration updates and opportunities to participate.

Core Functions: An efficient and equitable team, fit for the future

The right capacity and capability to deliver

GLA Group Collaboration

- We continued to work collaboratively across the GLA Group, making full use of TfL shared services for IT, procurement, HR, finance, secretariat and legal services, ensuring consistency, compliance and value for money.
- We supported and coordinated the successful migration to Office 365, working closely with TfL shared services and colleagues at OPDC to ensure all staff were fully briefed, prepared and supported throughout the transition.
- We contributed actively across GLA collaborative groups, including those focusing on procurement, risk and assurance, enabling the sharing of knowledge, learning and best practice across all Functional Bodies.

Board Recruitment

- We appointed four new Board members in autumn 2025 through an open and competitive recruitment process.
- The appointments filled one long standing vacancy, two positions reaching the end of term, and one position following Matthew Carpen's appointment as Chief Executive Officer.
- The new appointees bring substantial expertise in planning, regeneration, delivery, development and organisational leadership, strengthening Board capability at a critical phase of OPDC's transition into delivery.

Planning Committee Recruitment

- We appointed Hannah David as the new independent Planning Committee Member following a successful recruitment campaign in summer 2025.

Board Effectiveness Review

- We implemented and closed all recommendations from the external Board Effectiveness Review (BER) over the course of 2025-26.
- Progress was monitored through the Governance and Nominations Committee and reported to the Board. A 'one-year-on' overview of progress was presented to the Board in November 2025, with a final update provided to the Board in March 2026.

Audit Recovery Plan

- During 2025-26, OPDC made significant progress in strengthening its financial management and assurance arrangements through the implementation of an Audit Recovery Plan, developed in direct response to challenges identified during the 2024-25 audit cycle.
- The plan addresses capability gaps, improves audit readiness and enhances the quality of financial reporting. It also establishes a clear recovery trajectory aligned with audit

regulations, supporting OPDC's transition from a repeated disclaimed audit opinion towards a qualified opinion in 2026-27 and a clean audit opinion by 2027-28. The improvements and recovery plan this year mark an important step in building a more robust and resilient financial and governance framework.

Foster a people centre approach

Health and Wellbeing

- We maintained a strong commitment to creating a healthy, supportive and inclusive work environment, strengthening our approach to health and wellbeing and ensuring colleagues continue to feel valued, supported and empowered to thrive.
- Over the past year, we have:
    - Completed the office relocation to our new permanent office space on Victoria Road.
    - Established a new Health & Safety Executive Committee
    - Delivered a varied programme of wellbeing activities, including Brew Monday, Art for Wellbeing sessions, and themed events for Lunar New Year and Black History Month.

Learning and Development

- Learning and Development (L&D) remains central to OPDC, empowering colleagues and providing the tools, support and opportunities they need to thrive in their roles.
- The L&D Steering Group introduced a new Lunch & Learn programme and now issues a fortnightly L&D Opportunities Bulletin to improve access to development resources across the organisation.
- We refreshed our mandatory training programme this year to remove overlap, reduce the time burden on staff and ensure content remains focused and up to date. In addition, we launched a suite of 15-minute microlearning modules that provide foundational knowledge on a range of EDI topics, which are now recommended to all staff.
- A total of 50 per cent of staff have accessed training across a wide range of areas, including first aid, communication, delivery, project management, finance, social value, planning, law, conflict resolution, environmental skills, Excel, housing, coaching, and EDI.

Organisational Development

- In September 2025, HR colleagues presented the 2024-25 annual workforce report to the Audit and Risk Committee. The report provided a comprehensive picture of the organisational workforce composition, including detailed data on EDI, demographics, recruitment, learning and development and health & wellbeing.
- Working collaboratively with the GLA, MOPAC and LLDC, OPDC procured BMG research to deliver a comprehensive staff survey, which was launched in November 2025. OPDC achieved an exceptionally high 91 per cent response rate, demonstrating strong staff engagement.
- An Executive sponsor has since been appointed to establish and oversee an internal working group, responsible for analysing the survey results and coordinating the organisation's responses to key findings and improvement areas.

Embed equity, diversity and inclusion in everything we do

Social Value Working Group

- The Social Value Working Group continues to strengthen expectations for suppliers and partners, delivering tangible community benefits.
- This year's achievements include:
  - Working in partnership with key suppliers, OPDC delivered a programme of workshops across local schools aimed at building career pathways for young people within the built environment
  - Securing London Living Wage-paid work placements with partnered consultants for local students from underrepresented backgrounds
  - Using local and circular economy suppliers for the OPDC new office, resulting in 5,784kg CO_2e saved and 2,282kg of furniture reused, demonstrating OPDC's commitment to sustainability, local value and responsible procurement.

Diversity and Inclusion

- OPDC's Board and Executive Team continue to champion Equity, Diversity and Inclusion (EDI), setting a clear organisational tone of ambition and accountability.
- EDI remains a strategic priority, embedded in OPDC's culture, policies and ways of working, ensuring the organisation is inclusive, equitable and reflective of the communities it serves.
- During 2025-26, OPDC achievements included:
  - 100 per cent of our interview panels were diverse
  - Achieving Disability Confident Level 2 (Disability Confident Employer) accreditation
  - Joining the Business Disability Forum in February 2026
  - Maintaining membership of Stonewall's Proud Employers Programme
  - Publishing the annual OPDC Pay Gap Report, evidencing a 0.0% median gender pay gap
  - Strengthening and actively supporting EDI Employee Networks, delivering annual programmes including LGBTQIA+ History Month, Pride Month, Black History Month and International Women's Day
  - Delivering two disability inclusion training sessions with Inclusive Employers

Further information on the full range of activities carried out by the Corporation can be found on our website: www.london.gov.uk/opdc.

You can also review our quarterly reports on this webpage here, which includes further details on performance against our key metrics and milestones as well as reading our Management Plan, which includes our priorities for the next reporting period of 2026-27.

Next phase in our Strategy

Over the past year, we have made significant progress against the milestones set out in the two-year Corporate Strategy, particularly in advancing our delivery ambitions. As we look ahead, the coming year will be critical in ensuring that we continue to deliver against the three core pillars of our work: Delivery, Community and Innovation.

At the time of writing, the Corporation continues to operate under the current Corporate Strategy for a further year, pending the appointment of a development partner. Maintaining the current strategy at this stage ensures continuity, reduces strategic risk and allows the Corporation to align its long-term direction with the development partner once appointed. Following this, the Corporation will undertake the development of a new Corporate Strategy to guide the next phase of work.

The 2026-27 Management Plan will set out the details of our operational deliverables, KPIs and milestones for the Corporation, driving consistency and purpose across our programmes and workstreams, ensuring alignment with our corporate goals and strategic direction.

Financial Review

Introduction

OPDC is the Mayor of London's statutory regeneration and planning authority for the Old Oak and Park Royal Opportunity Area. Its mission is to maximise the economic, social, and housing benefits of the new super-hub station at Old Oak Common - creating one of the largest regeneration projects in the UK, harnessing major improvements for local communities and stimulating growth for the wider London economy.

The scope and ambition of this can only be achieved through a masterplanned scheme delivered through a partnership between the public and private sectors to achieve the comprehensive regeneration of the area. In this early phase, it is essential we assemble private land through commercial negotiations and then amalgamate with publicly owned land in the area to ensure the long-term success of this new, urban district for West London.

2025-26 Review

Management accounting

This year has been another very busy year for OPDC, building on the capital acquisitions programme begun in 2023-24, adding significant assets and subsidiaries to our existing portfolio in line with our priorities as set by the Mayor.

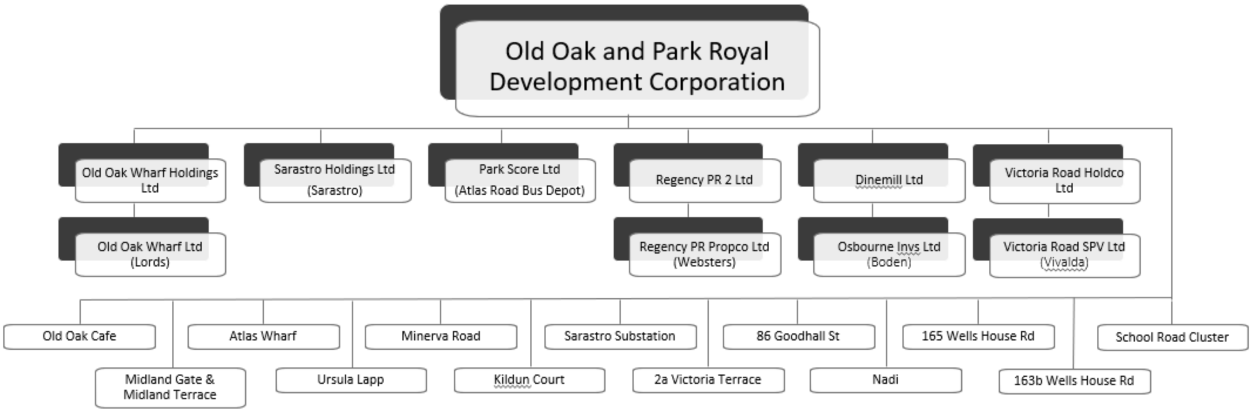
Gross expenditure reported in the Corporation Comprehensive Income and Expenditure Statement increased to £20.6m in 2025-26 (2024-25: £17.8m), offset by £23.6m of gross income (2024-25: £14.4m). The Corporation also made significant capital and investment additions in the year, including £80.9m of investment property additions, £62.9m of investments in subsidiaries and £21.0m of loans advanced to subsidiary companies.

The land acquisition programme commenced in 2023-24 and continued through 2025-26. At 31 March 2026, the Corporation had assembled the majority of the land required for the Old Oak project, with further activity continuing in line with the approved business plan and delivery strategy.

At 31 March 2026, the Corporation held investment property of £109.4m, investments in subsidiaries of £95.4m and financial assets of £22.5m, including:

- 3 residential assets,
- a number of commercial and office units including a bus depot, a large car park, a café,
- an electricity substation, a telecoms mast and solar panels.

OPDC Group Structure at 31 March 2026



OPDC holds either all of the share capital of the companies or all of the share capital of the holding company that owns the company. There are no other shareholders, and all of the Directors of the companies are OPDC officers.

All of this expansion has been added since 1 April 2023 and OPDC is on track to complete the private land assembly and negotiate the public land agreement in line with our approved business plan.

All assets were acquired at market rates with professional valuation advice from Deloitte's to ensure value for money in our expenditure. The acquisitions are in line with strategy and represent the value to the scheme overall rather than just the individual asset value. The consideration paid includes professional fees, and advice and, in some cases, compensation and other costs due in the shadow of a compulsory purchase, as required by Government guidance.

The assets are all acquired to assemble the development scheme in the regeneration area, and so the acquisition values represent the synergies that can be delivered by combining the private plots with the public land in the area, something which only this scheme can deliver. The financial modelling, approved as a part of the Outline Business Case, shows that the cash cost paid is recoverable from future land sales to development partners.

The external valuers are required by accounting standards and by the Royal Institution of Chartered Surveyors (the "Red Book") to view each property independently, in the absence of an approved scheme, and so the figure makes no allowance for any effect that combining areas of the scheme, including associated public realm and infrastructure, would have on the overall value, compared to developing single sites in isolation.

In addition, on 24 March 2025, OPDC subscribed for a single share in OPEN ESCO LTD, a special purpose vehicle incorporated on 11 March 2025 to develop the Heat Network. OPDC has only 1 share out of 101 in issue, has no board members or voting rights and as such has no control over the SPV and does not share in the risks and rewards of ownership. As such the investment is only held at its nominal value of £1.

The previous accounts were issued with a disclaimed audit opinion as a part of the guidance governing the Local Government reset, so the external auditors were unable to provide assurance over comparative figures in the 2023-24 accounts as well as 2023-24 opening balances, in year movements and closing balances. To address the issues raised in previous years, the Corporation has implemented a series of improvements as discussed in the Governance Statement.

Revenue

The financial performance of the Corporation is regularly monitored and reviewed throughout the year, with strong financial management and control being a cornerstone of management practices, contributing to the effectiveness and efficiency of programme and service delivery across the organisation.

The Corporation statutory accounts show net income from services of £3.0m for 2025-26, compared with net expenditure of £3.4m in 2024-25. This reflects £23.6m of gross income, including £19.9m GLA grant income, against £20.6m of gross service expenditure.

The table below presents the Corporation-only statutory segmental position. The consolidated Group position is presented separately in the Group financial statements and related notes.

	2025-26 £m	2024-25 £m	Movement £m
Chief executive office	-	1.0	(1.0)
Corporate operations	9.2	4.0	5.2
Delivery	7.0	7.1	(0.1)
Planning	0.7	0.8	(0.1)
GLA grant	(19.9)	(9.4)	(10.5)
Net cost of services	**(3.0)**	**3.4**	**(6.4)**

The Corporation recognised £1.7m of delivery income in 2025-26. At Group level, delivery income was £4.8m, including income generated by the growing property and asset portfolio.

Corporate operations expenditure increased to £9.2m in 2025-26, reflecting the wider operational, finance, audit and organisational capacity needed to support the Corporation’s move into delivery and its expanded asset base.

These figures are presented on a Corporation-only statutory basis and therefore differ from the consolidated Group figures.

Capital

Capital Accounting refers to the arrangements for recognising and measuring the value of non-current assets in the balance sheet and making charges to the comprehensive income and expenditure statement to reflect the cost of using them, that is:

i. expenditure on an asset that will provide control of the resulting economic benefit or service potential and that has a measurable cost.
ii. revenue expenditure allowed to be funded by capital under statute (REFCUS); or
iii. under a capitalisation direction in accordance with the Local Government Act 2003.

Capital investment totalled £143.8m in 2025-26 (2024-25: £87.3m), funded through the GLA land fund borrowing facility and grants and contributions held in accordance with statutory accounting requirements.

Value of Assets

The accelerated investment in capital assets comprised £80.9m of investment property additions and £62.9m of investments in subsidiaries. The amounts paid were supported by expert independent advice and include directly attributable costs such as taxes, legal and professional fees and, where applicable, compensation costs in line with government guidance for acquisitions in the shadow of a potential compulsory purchase process.

Fair Value Movements of Assets

As required by accounting standards, at year end OPDC commissioned independent valuers to assess the market value for accounting purposes of the portfolio. In many cases this will be significantly different from the acquisition cost as it purely assesses the potential of the site to deliver future benefits rather than viewing it as a part of the wider plan or any enhancements from its capacity to be combined with the public land, as well as discounting all of the associated fees and taxes incurred in buying properties and companies.

A net downward fair value movement of £23.2m has been recognised in the Corporation accounts for 2025-26 (2024-25: £32.8m). The corresponding Group movement was £22.9m (2024-25: £32.3m). These accounting movements do not affect the strategic rationale for the acquisitions or the expected contribution of the assembled sites to the wider OPDC development scheme.

Financial Statements

Comprehensive Income and Expenditure Statement

This statement shows both the revenue recognised and the costs incurred in the year of providing services, in accordance with the Chartered Institute of Public Finance and Accountancy (CIPFA) Code of Practice.

The Corporation Comprehensive Income and Expenditure Statement (CIES) shows a deficit on the provision of services after tax of £15.9m for 2025-26 (2024-25: £9.2m surplus) and total comprehensive expenditure of £15.9m after recognising a £0.1m remeasurement credit on the net defined benefit asset. The Group CIES shows a deficit after tax of £17.2m (2024-25: £9.2m surplus) and total comprehensive expenditure of £17.0m.

The CIES includes £19.9m of GLA grant income credited to services. The Group CIES also includes £6.6m of other government grant income credited to taxation and non-specific grant income. Capital and restricted receipts are accounted for through the statutory reserves and receipts-in-advance framework where the relevant conditions have not been satisfied.

The Corporation recognised dividend income of £2.4m in 2025-26 (2024-25: £1.1m). The current-year dividend was eliminated on consolidation and therefore does not appear in the Group CIES.

Section 106 and other restricted balances continue to be held as receipts in advance until they are applied in accordance with the relevant deed or grant conditions. At 31 March 2026, non-current receipts in advance were £58.5m (2024-25: £17.8m).

The 31 March 2025 comparatives have been retained throughout the Corporation and Group financial statements.

Statement of Financial Position

The balance sheet shows the value, as at the balance sheet date, of the assets and liabilities recognised by the Corporation. They are matched by the reserves, which are reported in two categories. The first category is usable reserves, being those that the Corporation may use to provide services, subject to the need to maintain a prudent level. The second category is those that the Corporation is not able to use to provide services.

The Corporation balance sheet shows a net asset position of £26.7m at 31 March 2026 (2024-25: £42.7m), reflecting the expanded investment property and subsidiary investment portfolio, increased GLA borrowing and the statutory reserve impact of the current-year fair value movements. The Group balance sheet shows net assets of £26.0m (2024-25: £42.7m)

Movement in Reserves Statement

This statement shows the movements in the year on the different reserves held by the Corporation, analysed between usable reserves and unusable reserves. The statement shows how the movement in the Corporation's reserves is broken down between gains and losses recognised on an accounting basis and the statutory adjustments required to control the amounts chargeable to council tax for the year.

Statement of Cash Flows

The cash flow statement shows the movements in cash and cash equivalents of the Corporation during the financial year. The statement shows how the Corporation generates and uses cash and cash equivalents by classifying cash flows as derived from operating, investing and financing activities.

The Corporation cash flow statement shows an increase in cash and cash equivalents of £42.8m to £72.0m at 31 March 2026 (2024-25: £29.2m). This movement reflects £101.4m of operating cash inflows and £106.3m of financing inflows, offset by £164.8m of investing cash outflows. The Group cash flow statement shows closing cash and cash equivalents of £72.4m.

Expenditure and Funding Analysis

The objective of the Expenditure and Funding Analysis is to demonstrate to the user of the accounts how the funding available to the Corporation for the year has been used in providing services, in comparison with those resources consumed or earned in accordance with generally accepted accounting practices. The Expenditure and Funding Analysis also shows how this expenditure is allocated for decision making purposes. Income and expenditure accounted for under generally accepted accounting practices is presented more fully in the Comprehensive Income and Expenditure Statement.

Financial Accounts

In a Ministerial Statement on 30 July 2024, the Minister of State for Local Government and English Devolution set out the actions to be taken to address the backlog in all local government audits and put them onto a sustainable future.

To clear the backlog in unaudited accounts and where auditors have been unable to complete audits for the years ended 31 March 2023 and before, the accounts have presented with a ‘disclaimed’ opinion. This does not mean that they have not been prepared to a high standard, just that an audit has not been possible and that the auditors are unable to form an opinion on them.

An unaudited draft of the 2022-23 annual report and accounts for OPDC was published before the 31 May 2023 deadline and has now been finalised with a ‘disclaimed’ opinion and published on 13 December 2024, in accordance with the backlog clearance outlined above.

Audited accounts for 2023-24 were published with a disclaimed opinion on 27 February 2025, as the auditors were unable to obtain assurance on the opening balances due to the disclaimed opinion of 2022-23 as well as identified weaknesses in financial statement preparation of 2023-24.

Audited accounts for 2024-25 were published on 27 February 2026, again with a disclaimed opinion and a recovery plan has been adopted by the Audit and Risk Committee to build back assurance over the accounts and move towards a clean opinion in future years.

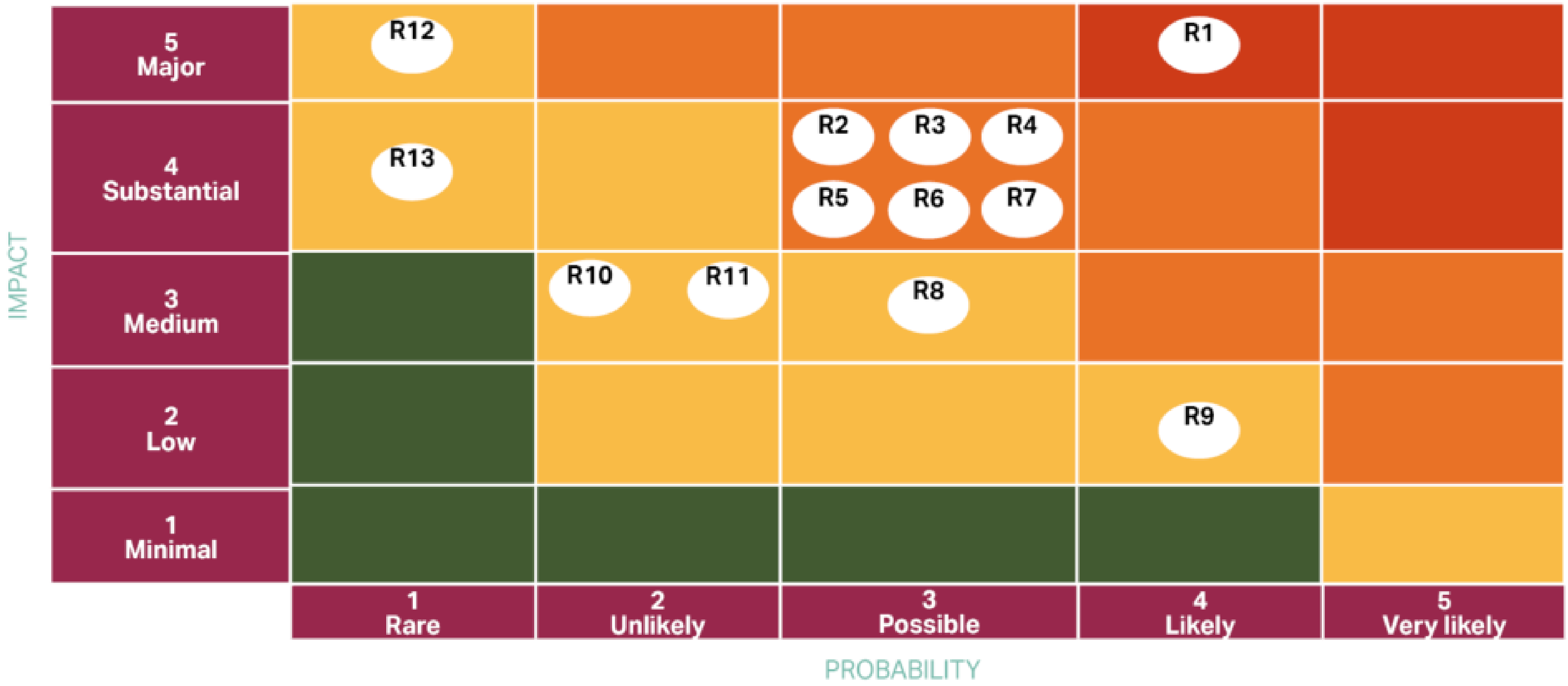
Corporate Risks

Strategic Risks

OPDC's strategic risks are identified by Directorates and reported quarterly as part of the Performance and Finance Report, which is presented to the Audit and Risk Committee and Board. This provides regular oversight of OPDC's risk profile, including changes in risk exposure and the effectiveness of mitigating actions.

Strategic risks are also discussed with the Chief Executive Officer and Executive Director of Corporate Operations/Chief Finance Officer at quarterly challenge sessions and the report shared with the Executive Team and GLA.

During the year, OPDC strengthened its risk management arrangements through the approval of an updated Risk Management Framework, with the Board considering OPDC's overall risk profile in January 2026. A Risk Appetite Statement was approved by Board in June 2026, strengthening the organisation's approach to decision-making and risk management.



ID	Description	RAG	Mitigation Commentary
R1	Planning - HS2 Programme Delays: Following completion of the HS2 reset programme, delivery sequencing and interfaces may could still result in delays to the delivery of homes and jobs targets in the OPDC area.		Continue to work closely with HS2 and landowners to unlock sites at the earliest opportunity. The reset has provided greater clarity on scenario planning and sequencing work to de-risk and support post construction delivery.
R2	Old Oak: Inability to complete activities and secure approvals necessary to launch public procurement.		Continued stakeholder management through appropriate channels and necessary escalation to political channels.
R3	Asset Management: Asset failure from OPDC owned land and buildings.		Dedicated OPDC resource towards asset management and creation of the OPDC HSE Committee.
R4	Old Oak: Ability to deliver policy compliant affordable housing (could impact viability, benefits, policy compliance).		OPDC will use its funding model to scenario test different levels/structures of affordable housing.
R5	Old Oak: Inability to secure requisite funding and resources to support comprehensive regeneration at Old Oak e.g. due to competing policy priorities/competing schemes.		Working with local, regional and central government to secure funding as required. Continued engagement through established forums to demonstrate progress, derisking of delivery and securing benefits.
R6	Old Oak - Economic uncertainty/Market shocks: Inflation, values and funding uncertainty will impact Old Oak, but may benefit site acquisitions.		Recent global events have exacerbated economic conditions, OPDC continues to monitor, the Old Oak project is long term and allows the organisation to consider longer term trends.
R7	Heat Network: Failure to deliver proposed heat network in line with the strategic plan.		Financial close of the project has been delayed, OPDC continues to work with the Development and Funding Partner to complete soon.
R8	Infrastructure: Failure to plan, fund and deliver the requisite infrastructure needed to support development at Old Oak and surrounding area.		Regular engagement with government partners to look at funding opportunities.

R9	Political and stakeholder uncertainty		Working closely with teams across the organisation to mitigate the political risks associated with the project.
R10	Construction: Impacts of supply side challenges and inflation, challenges around Building Safety on the construction industry may adversely affect the viability of schemes and speed of delivery of new homes & jobs.		Clear guidance and early engagement continues, fast-tracking used where appropriate to maintain momentum while ensuring compliance.
R11	Planning - General Market Sentiment: Fluctuations in the costs of materials, labour availability, interest rates can impact project costs, timelines and supplies.		Continue ongoing engagement continue with developers to understand market constraints.
R12	The CPO is amended or fails through inquiry and impacts the benefits coming through this scheme.		Maintain strong justification and clear public interest, continued engagement with local community and affected parties.
R13	Old Oak: Maintaining stakeholder alignment across public and private sector, and certainty around the appetite for project funding, support and delivery.		Regular communication and engagement with public sector partners and central government, ensure work on OPDC's long term regeneration proposals address local, regional and national policies.

Gurdip Juty, Chief Finance Officer

Purpose of major schedules within the financial statements

The nature and purpose of the primary schedules included within the financial statements are set out below:

Comprehensive Income and Expenditure Statement

This statement shows both the revenue received and the costs incurred in the year of providing services, in accordance with International Financial Reporting Standards (IFRS).

Statement of Financial Position

The balance sheet shows the value as at the balance sheet date of the assets and liabilities recognised by OPDC. The net assets of OPDC (assets less liabilities) are matched by the reserves held by OPDC. Reserves are reported in two categories. The first category of reserves is usable reserves, being those reserves that OPDC may use to provide services. OPDC is funded by the GLA; therefore, its level of usable reserves in the statutory accounts does not fully determine its ability to meet current and future financial challenges. The second category of reserves is those that OPDC is not able to use to provide services (Unusable Reserves). This category of reserves is brought about by accounting entries and includes reserves that are impacted by timing differences shown in the movement in reserves statement line 'Adjustments between accounting basis and funding basis under regulations'. They are not cash-backed reserves or an additional source of funding for OPDC.

Cash Flow Statement

The cash flow statement shows the movements in cash and cash equivalents of OPDC during the financial year. The statement shows how OPDC generates and uses cash and cash equivalents by classifying cash flows as derived from operating, investing, and financing activities.

Movement in Reserves Statement

This statement shows the movements in the year on the different reserves held by OPDC analysed between usable reserves and unusable reserves, Gains and losses recognised on an accounting basis and the statutory adjustments required to control the amounts being recognised within OPDC's General Fund are reflected in the usable reserves. In Local Authorities, the General Fund governs the amounts chargeable to council tax for the year, however this is not relevant in the context of OPDC. The unusable reserves include the pensions reserve, accumulated absences reserve and the capital adjustment account, which absorbs the timing differences arising from the different arrangements for the consumption of non-current assets and for financing the acquisition, construction, or enhancement elements of those assets under statutory provisions.

Statement of Responsibility for the Accounts

The Development Corporation's responsibilities

The Development Corporation is required to:

- make arrangements for the proper administration of its financial affairs and to secure that one of its officers has responsibility for the administration of those affairs. In the Development Corporation, that officer is the Chief Finance Officer.
- manage its affairs to secure economic, efficient and effective use of resources and safeguard its assets; and
- approve the Statement of Accounts.

The Chief Finance Officer's responsibilities

The Chief Finance Officer is responsible for the preparation of the Statement of Accounts for the Development Corporation in accordance with proper practices as set out in the CIPFA LASAAC Code of Practice on Local Authority Accounting in the United Kingdom (the Code). In preparing this Statement of Accounts, the Chief Finance Officer has:

- selected suitable accounting policies and then applied them consistently.
- made judgements and estimates that were reasonable and prudent.
- complied with the Code.
- kept proper accounting records which were up to date; and
- taken reasonable steps for the prevention and detection of fraud and other irregularities.

Certificate of the Chief Finance Officer

I certify that the Statement of Accounts gives a true and fair view of the financial position of the Development Corporation at the accounting date and of the income and expenditure for the year ended 31 March 2026.

Gurdip Juty
Chief Finance Officer

Dame Karen Buck
Chair

Independent Auditor’s Report to the Members of Old Oak and Park Royal Development Corporation

Ernst & Young LLP (Local Auditor)
Birmingham

Group & Core Financial Statements

Group Comprehensive Income and Expenditure Statement for the year ended 31 March 2026

	Note	Gross income	Gross expenditure	Net (income)/ expenditure
		£000	£000	£000
Chief Executive office		-	-	-
Corporate operations		-	9,239	9,239
Delivery		(4,830)	9,460	4,630
Planning		(1,885)	2,610	725
REFCUS		-	-	-
GLA grant	G1	(19,935)	-	(19,935)
Net cost of services	**G1**	**(26,649)**	**21,309**	**(5,340)**
Finance expense		-	-	-
Financing and investment income	G4	-	6,084	6,084
Dividend income	G4	-	-	-
Movement in the fair value of investment properties	G5	-	22,871	22,871
Revaluations		-	-	-
Depreciation		-	152	152
Taxation and non-specific grant income	6	(6,641)	-	(6,641)
Surplus or deficit on provision of services before tax		**(33,290)**	**50,417**	**17,126**
Corporation tax	7	-	65	65
Deferred tax		-	-	-
Surplus or deficit on provision of services after tax		**(33,290)**	**50,481**	**17,191**
Remeasurement of the net defined benefit asset	14	(143)	-	(143)
Total comprehensive income and expenditure for the year ended 31 March		**(33,433)**	**50,481**	**17,048**

All note numbers below refer to notes from the entity accounts, except the note numbers starting with G, which are specific to the Group accounts and can be found in the notes to the Group Financial Statements section.

Group Comprehensive Income and Expenditure Statement for the year ended 31 March 2025

	Note	Gross income	Gross expenditure	Net (income)/ expenditure
		£000	£000	£000
Chief Executive office		-	974	974
Corporate operations		(16)	4,052	4,036
Delivery		(9,696)	12,722	3,026
Planning		(1,180)	1,976	796
REFCUS		-	-	-
GLA grant		(9,417)	-	(9,417)
Net cost of services	**G1**	**(20,309)**	**19,724**	**(585)**
Finance expense		-	-	-
Financing and investment income	G4	(1,967)	2,457	490
Dividend income	G4	-	-	-
Movement in the fair value of investment properties	9	-	32,310	32,310
Revaluations		-	-	-
Depreciation		-	-	-
Taxation and non-specific grant income	6	(44,232)	-	(44,232)
Surplus on provision of services before tax		**(66,508)**	**54,491**	**(12,017)**
Corporation tax		-	100	100
Deferred tax		-	2,748	2,748
Surplus on provision of services after tax		**(66,508)**	**57,339**	**(9,169)**
Remeasurement of the net defined asset	14	-	402	402
Total comprehensive income and expenditure for the year ended 31 March		**(66,508)**	**57,741**	**(8,767)**

Corporation Comprehensive Income and Expenditure Statement for the year ended 31 March 2026

	Note	Gross income	Gross expenditure	Net (income)/ expenditure
		£000	£000	£000
Chief Executive office		-	-	-
Corporate operations		-	9,239	9,239
Delivery		(1,734)	8,732	6,997
Planning		(1,885)	2,610	725
REFCUS		-	-	-
GLA grant	1 / 2	(19,935)	-	(19,935)
Net cost of services	**1 / 2**	**(23,554)**	**20,581**	**(2,972)**
Financing income - lease interest	15	-	-	-
Financing and investment income	5	-	4,647	4,647
Dividend income	5	(2,370)	-	(2,370)
Movement in the fair value of investments	**8**	**-**	**23,211**	**23,211**
Depreciation of right of use assets	15	-	152	152
Taxation and non-specific grant income	6	(6,641)	-	(6,641)
(Surplus) or deficit on provision of services before tax		**(32,564)**	**48,591**	**16,027**
Corporation tax	7	(38)	-	(38)
Deferred tax		-	-	-
(Surplus) or deficit on provision of services after tax		**(32,603)**	**48,591**	**15,988**
Remeasurement of the net defined benefit asset	14	(143)	-	(143)
Total comprehensive income and expenditure for the year ended 31 March		**(32,746)**	**48,591**	**15,845**

Corporation Comprehensive Income and Expenditure Statement for the year ended 31 March 2025

	Note	Gross income	Gross expenditure	Net (income)/ expenditure
		£000	£000	
Chief Executive office		-	974	974
Corporate operations		(16)	4,052	4,036
Delivery		(3,750)	10,810	7,060
Planning		(1,180)	1,976	796
REFCUS		-	-	-
GLA grant	1 / 2	(9,417)	-	(9,417)
Net cost of services	**1 / 2**	**(14,363)**	**17,812**	**3,449**
Financing income – lease interest	15	-	-	-
Financing and investment income	5	(1,967)	1,847	(120)
Dividend income	5	(1,100)	-	(1,100)
Movement in the fair value of investments	8	-	32,790	32,790
Depreciation of right of use assets	15	-	-	-
Taxation and non-specific grant income	6	(44,232)	-	(44,232)
Surplus on provision of services before tax		**(61,662)**	**52,449**	**(9,213)**
Corporation tax	7	-	-	-
Deferred tax		-	-	-
Surplus on provision of services after tax		**(61,662)**	**52,449**	**(9,213)**
Remeasurement of the net defined benefit asset	14	-	402	402
Total comprehensive income and expenditure for the year ended 31 March		**(61,662)**	**52,851**	**(8,811)**

Group Statement of Financial Position as at 31 March 2026

	Note	31 March 2026	31 March 2025
		£000	£000
Non-current assets			
Right of use assets	22	1,442	381
Property, plant and equipment			
Investment property	G5	226,543	136,080
Investment in subsidiaries	G5	-	-
Financial assets	11	41	237
Retirement Benefit Obligation	14	-	-
Trade and other receivables	G7	363	5
Total non-current assets		**228,389**	**136,703**
Current assets			
Trade & other receivables	G7	2,526	2,308
Cash & cash equivalents	G6	72,379	30,727
Total current assets		**74,905**	**33,035**
Total assets		**303,294**	**169,738**
Current liabilities			
Trade & other payables	G8	(10,179)	(10,442)
Lease liabilities	G10	(302)	(299)
Receipts in advance	18	-	(100)
Lease liabilities			
Total current liabilities		**(10,481)**	**(10,841)**
Total assets less current liabilities		**292,813**	**158,897**
Non-current liabilities			
Trade & other payables	G8	(2,492)	(505)
Lease liabilities	G10	(1,166)	(94)
Retirement Benefit Obligation	14	-	-
Borrowings	G8	(204,656)	(97,842)
Receipts in advance	18	(58,545)	(17,806)
Total non-current liabilities		**(266,859)**	**(116,247)**
Total liabilities		**(277,340)**	**(127,088)**
Net assets/(liabilities)		**25,954**	**42,650**
Reserves			
Usable reserve	G11	6,995	19,270
Unusable reserve	G11	18,958	23,380
Total reserves	**G11**	**25,954**	**42,650**

The unaudited accounts are expected to be issued on 30 June 2026. The audited accounts will be authorised for issue once the audit is complete.

Gurdip Juty
Chief Financial Officer

Corporation Statement of Financial Position as at 31 March 2026

	Note	31 March 2026	31 March 2025
		£000	**£000**
Non-current assets			
Right of use assets	22	1,442	381
Investment property	8a	109,358	51,680
Investment in subsidiaries	8b	95,426	66,930
Financial assets	11	22,541	18,832
Retirement benefit obligation	14	-	-
Trade and other receivables	10	363	5
Total non-current assets		**229,129**	**137,828**
Current assets			
Trade & other receivables	10	1,617	2,028
Cash & cash equivalents	19	71,985	29,158
Total current assets		**73,602**	**31,186**
Total assets		**302,731**	**169,014**
Current liabilities			
Trade & other payables	12	(8,893)	(9,956)
Lease liabilities	23	(302)	(299)
Receipts in advance	18	-	(100)
Total current liabilities		**(9,196)**	**(10,355)**
Total assets less current liabilities		**293,535**	**158,659**
Non-current liabilities			
Trade & other payables	12	(2,492)	(267)
Lease liabilities	23	(1,166)	(94)
Retirement benefit obligation	14	-	-
Borrowings	12	(204,656)	(97,842)
Receipts in advance	18	(58,545)	(17,806)
Total non-current liabilities		**(266,859)**	**(116,009)**
Total liabilities		**(276,055)**	**(126,364)**
Net assets/(liabilities)		**26,676**	**42,650**
Reserves			
Usable reserve	15	6,995	7,002
Unusable reserve	15	19,681	35,648
Total reserves	**15**	**26,676**	**42,650**

The unaudited accounts are expected to be issued on 30 June 2026. The audited accounts will be authorised for issue once the audit is complete.

Gurdip Juty
Chief Financial Officer

Group Movement in Reserves Statement for the year ended 31 March 2026

2025–26

	Note	General Fund	Capital Grants Unapplied	Total Usable Reserves	Unusable Reserves	Total Reserves
		£000	**£000**	**£000**	**£000**	**£000**
Balance as at 1 April		**(12,497)**	**(6,773)**	**(19,270)**	**(23,380)**	**(42,650)**
Movement in reserves during 2025-26						
Surplus or deficit on the provision of services		17,191	-	17,191	-	17,191
Other comprehensive income and expenditure		-	-	-	(143)	(143)
Total comprehensive income and expenditure		**17,191**	**-**	**17,191**	**(143)**	**17,048**
Adjustments between accounting basis and funding basis under regulations	1a	(11,689)	6,773	(4,916)	4,565	(351)
Net increase/ (decrease) before transfers between reserves		**5,502**	**6,773**	**12,275**	**4,422**	**16,696**
Transfers (to)/ from reserves		-	-	-	-	-
Increase/ (decrease) in year		**5,502**	**6,773**	**12,275**	**4,422**	**16,696**
Balance as at 31 March *		**(6,995)**	**-**	**(6,995)**	**(18,958)**	**(25,954)**

* The final totals contain a misclassification of expenditure from s106 funds on the acquisition of the School Road properties which has been taken from the Capital Grants Unapplied Reserve not the General Fund. This does not affect the overall balance on useable reserves and will be corrected in the final version.

Group Movement in Reserves Statement for the year ended 31 March 2025

2024–25

	Note	General Fund	Capital Grants Unapplied	Total Usable Reserves	Unusable Reserves	Total Reserves
		£000	**£000**	**£000**	**£000**	**£000**
Balance as at 1 April 2024		**(2,448)**	**(10,615)**	**(13,063)**	**(20,820)**	**(33,883)**
Movement in reserves during 2024-25						
Surplus or deficit on the provision of services		(9,169)	-	(9,169)	-	(9,169)
Other comprehensive income and expenditure		(314)	314	-	402	402
Total comprehensive income and expenditure		**(9,483)**	**314**	**(9,169)**	**402**	**(8,767)**
Adjustments from income and expenditure charged under the accounting basis to the funding basis	1a	10,537	3,528	14,065	(14,065)	-
Increase/ (decrease) for 2024-25		**1,054**	**3,842**	**4,896**	**(13,663)**	**(8,767)**
Usable reserves acquired in subsidiaries:						
Ordinary share capital	G11	(29)		(29)	-	(29)
Share premium account	G11	(7,331)		(7,331)	-	(7,331)
Distributable reserves	G11	(5,055)		(5,055)	-	(5,055)
Less: dividend paid	G11	-		-	-	-
Total usable reserves acquired in subsidiaries		**(12,415)**		**(12,415)**	**-**	**(12,415)**
Unusable reserves acquired in subsidiaries:						
Undistributable reserves	G11	-		-	(53,645)	(53,645)
Revaluation reserve	G11	-		-	-	-
Total unusable reserves acquired in subsidiaries		-		-	(53,645)	(53,645)
Total reserves acquired in subsidiaries		**(12,415)**		**(12,415)**	**(53,645)**	**(66,060)**
Transfer between reserves		1,702		1,702	(1,702)	-
Other reserves		(390)		(390)	(480)	(870)
Elimination of investment in subsidiary companies		-		-	66,930	66,930
Balance as at 31 March 2025		**(12,497)**	**(6,773)**	**(19,270)**	**(23,380)**	**(42,650)**

The adjustment between the accounting basis and funding under regulation is the same as that for the EFA (note 1), but the signage is opposite to the EFA.

Corporation Movement in Reserves Statement for the year ended 31 March 2026

2025–26

	Note	General Fund	Capital Grants Unapplied	Total Usable Reserves	Unusable Reserves	Total Reserves
		£000	£000	£000	£000	£000
Balance at 1 April 2025		**(229)**	**(6,773)**	**(7,002)**	**(35,648)**	**(42,650)**
Movement in reserves in year						
Surplus or deficit on the provision of services after tax		15,845	-	15,845	-	**15,845**
Other comprehensive income and expenditure		-	-	-		-
Total comprehensive income and expenditure		**15,845**	**-**	**15,845**		**15,845**
Adjustments between accounting basis and funding basis under regulations	21	(22,612)	6,773	(15,839)	15,967	128
Net increase/ (decrease) before transfers between reserves		**(6,766)**	**6,773**	**7**	**15,967**	**15,974**
Transfers (to)/from reserves		-	-	-	-	-
Increase/ (decrease) in year		**(6,766)**	**6,773**	**7**	**15,967**	**15,974**
Balance at 31 March 2026		**(6,995)**	**-**	**(6,995)**	**(19,681)**	**(26,676)**

2024–25

	Note	General Fund	Capital Grants Unapplied	Total Usable Reserves	Unusable Reserves	Total Reserves
		£000		£000		
Balance at 1 April 2024		**(1,239)**	**(10,615)**	**(11,854)**	**(21,985)**	**(33,839)**
Movement in reserves in year						
Surplus on the provision of services after tax		(9,213)	-	(9,213)	-	(9,213)
Other comprehensive income and expenditure		(314)	314	-	402	402
Total comprehensive income and expenditure		**(9,527)**	**314**	**(9,213)**	**402**	**(8,811)**
Adjustments between accounting basis and funding basis under regulations	24	10,537	3,528	14,065	(14,065)	-
Net (increase)/ decrease before transfers between reserves		**1,010**	**3,842**	**4,852**	**(13,663)**	**(8,811)**
Transfers (to)/ from reserves		-	-	-	-	-
Increase in year		**1,010**	**3,842**	**4,852**	**(13,663)**	**(8,811)**
Balance at 31 March 2025		**(229)**	**(6,773)**	**(7,002)**	**(35,648)**	**(42,650)**

Group Statement of Cash Flows for the year ended 31 March 2026

	Note	31 March 2026	31 March 2025
		£000	£000
Net surplus or (deficit) on the provision of services		(17,191)	9,169
Adjustment to surplus or deficit on the provision of services for non-cash movements	G9	100,366	41,573
Adjust for items included in the net surplus or deficit on the provision of services that are investing and financing activities	G9	-	(18,092)
Net cash flows from operating activities		**83,176**	**32,650**
Net cash flows from investing activities	G9	(147,819)	(87,442)
Net cash flows from financing activities	G9	106,295	28,929
Net increase/ (decrease) in cash and cash equivalents		**41,652**	**(25,863)**
Cash and cash equivalents at the beginning of the reporting period	G6	30,727	56,590
Cash and cash equivalents at the end of the reporting period	**G6**	**72,379**	**30,727**

Corporation Statement of Cash Flows for the year ended 31 March 2026

	Note	31 March 2026	31 March 2025
		£000	£000
Net surplus or (deficit) on the provision of services		(22,629)	9,213
Adjustment to surplus or deficit on the provision of services for non-cash movements	16	124,001	41,371
Adjust for items included in the net surplus or deficit on the provision of services that are investing and financing activities	16	-	-
Net cash flows from operating activities		**101,371**	**50,584**
Net cash flows from investing activities	16	(164,840)	(105,534)
Net cash flows from financing activities	16	106,295	28,929
Net increase/ (decrease) in cash and cash equivalents		**42,827**	**(26,021)**
Cash and cash equivalents at the beginning of the reporting period		29,158	55,179
Cash and cash equivalents at the end of the reporting period		**71,985**	**29,158**

Corporation Accounting Policies

a. General principles

The Corporation is required to prepare an annual Statement of Accounts by the Accounts and Audit Regulations 2015. These regulations require the financial statements to be prepared in accordance with proper accounting practices. These practices primarily comprise the Code of Practice on Local Authority Accounting in the United Kingdom 2025-26, supported by International Financial Reporting Standards as adapted for the UK public sector.

The Statement of Accounts summarises the Corporation and Group’s transactions for the 2025-26 financial year and their position as at 31 March 2026. The Corporation and Group’s financial statements have been prepared in accordance with the Code and IFRS.

b. Basis of accounting

The Accounts are made up to 31 March 2026.

The accounting policies set out below have been applied consistently by the Corporation and Group in the period presented in these financial statements.

The Accounts have been prepared under the accruals concept and in accordance with the historical cost accounting convention.

Where items are sufficiently significant by virtue of their size or nature, they are disclosed separately in the financial statements in order to aid the reader's understanding of the Corporation's performance.

c. Accruals of income and expenditure

Activity is accounted for in the year that it takes place, not when cash payments are made or received. In particular,

- Revenue from the provision of services is recognised when the Corporation can measure reliably the percentage of completion of the transaction, and it is probable that economic benefits or service potential associated with the transaction will flow to the Corporation.
- Expenses in relation to services received (including services provided by employees) are recorded as expenditure when the services are received rather than when payments are made.
- Where revenue and expenditure have been recognised but cash has not been received or paid, a debtor or creditor for the relevant amount is recorded in the Balance Sheet.

Where debts may not be settled, the balance of debtors is written down and a charge made to expenditure for the income that may not be collected.

d. Going concern

The accounts have been prepared in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom 2025-26 (the Code), which is based upon International Financial Reporting Standards (IFRS), as amended for the UK public sector.

The financial statements have been prepared on a going concern basis as the Corporation's Chief Finance Officer considers that the Corporation will continue in operational existence to 31 March 2027.

There is a degree of uncertainty about future levels of funding for the Corporation, as the resources required to deliver housing and economic growth in the area are yet to be identified. However, the Corporation has determined that this uncertainty is not yet sufficient to provide an indication that its long-term objectives will not be achieved. It is considered that the Corporation will continue in operational existence for the foreseeable future and meet its liabilities as they fall due for payment, with ongoing funding confirmed by the GLA via a letter of support at that time, and that there is no intention to reorganise the programme in this time.

e. The application of new and revised standards

At the date of authorisation of the financial statements, the following new standards and amendments to existing standards have been published but not yet adopted by the Code:

IAS 21 – Lack of Exchangeability (Amendments) (effective 1 January 2025)

These amendments provide guidance for determining whether a currency is exchangeable and estimating the spot rate when it is not. Effective from 1 January 2025, OPDC does not anticipate a material impact based on its current operations.

Annual Improvements to IFRS Accounting Standards—Volume 11 (2023 Cycle) (effective 1 January 2026)

These improvements clarify minor amendments across several standards, including:

- IFRS 1 – Exemptions for first-time adopters;
- IFRS 7 – Clarification of credit risk disclosure linkages;
- IFRS 9 – Refinements on derecognition of lease liabilities and transaction price definition;
- IFRS 10 – Clarification of "de facto agent" assessment;
- IAS 7 – Guidance on classification of costs under the cost method.

These amendments are effective for annual periods beginning on or after 1 January 2025. OPDC does not expect these amendments to have a material effect on its financial statements.

IFRS 9 and IFRS 7 – Amendments for Nature-Linked Features and Disclosures (effective 1 January 2026)

Clarifications have been introduced on the classification of financial assets with nature-dependent variability (e.g., ESG-linked features), including updates to the SPPI test. IFRS 7 has been amended to require new disclosures related to these instruments. These are effective 1 January 2025. OPDC does not expect any changes in classification or disclosures.

Amendments to the Classification and Measurement of Financial Instruments (effective 1 January 2026)

The amendments relate to the classification and measurement requirements in IFRS 9 Financial Instruments and related requirements in IFRS 7 Financial Instruments: Disclosures.

The amendments specify:

- when a financial liability settled using an electronic payment system can be deemed to be discharged before the settlement date;
- how to assess the contractual cash flow characteristics of financial assets with contingent features when the nature of the contingent event does not relate directly to changes in basic lending risks and costs;
- and new or amended disclosure requirements relating to investments in equity instruments designated at fair value through other comprehensive income and financial instruments with contingent features that do not relate directly to basic lending risks and costs.

This amendment is effective for accounting periods commencing on or after 1 January 2025 and is not expected to have a significant impact on OPDC.

IFRS 18 Presentation and Disclosure in Financial Statements (effective 1 January 2027)

IFRS 18 Presentation and Disclosure in Financial Statements was issued in April 2024 to replace IAS 1 Presentation of Financial Statements. IFRS 18 aims to improve financial reporting by: requiring additional defined subtotals in the statement of profit or loss; requiring disclosures about management defined performance measures; and adding new principles for the aggregation and disaggregation of items. OPDC is currently reviewing what effect this could have on the presentation of its financial statements.

IFRS 19 Subsidiaries without Public Accountability: Disclosures (effective 1 January 2027)

IFRS 19 Subsidiaries without Public Accountability: Disclosures was issued in May 2024. IFRS 19 permits some subsidiaries to apply IFRS Accounting Standards with reduced disclosure requirements. OPDC is currently reviewing what effect this could have on its subsidiaries' disclosures.

f. IAS 8: Accounting policies, changes in accounting policies and errors

This specifies the treatment of prior period errors discovered after the financial statements are authorised for issue. An entity is required to correct material prior period errors retrospectively in the first set of financial statements authorised for issue after their discovery by:

a. restating the comparative amounts for the prior period(s) presented in which the error occurred; or
b. if the error occurred before the earliest prior period presented, restating the opening balances of assets, liabilities and equity for the earliest prior period presented.

Any errors are disclosed in the notes to the accounts and present the following information:

- the nature of the prior period error,
- for each prior period presented, to the extent practicable, the amount of the correction,
- for each financial statement line item affected,
- the amount of the correction at the beginning of the earliest prior period presented; and
- if retrospective restatement is impracticable for a particular prior period, the circumstances that led to the existence of that condition and a description of how and from when the error has been corrected.

g. Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions within the wider GLA Group repayable without penalty on notice of not more than 24 hours.

h. Critical judgements on applying accounting policies

In applying the accounting policies, the Corporation has had to make certain judgements about complex transactions or those involving uncertainty about future events. The critical judgements made in the Statement of Accounts are:

Classification of property assets and property-backed acquisitions

For each property acquisition, OPDC considers the substance and purpose of the holding. Properties held principally to earn rentals and/or for capital appreciation are classified as investment property under IAS 40. Properties held for owner occupation, administrative use or direct service delivery would be accounted for under IAS 16, and assets are not reclassified as held for sale unless the IFRS 5 criteria are met.

Where the intention is to trade or dispose of property in the ordinary course of business, the property is classified as inventory. At 31 March 2026, management's judgement is that the Corporation's material directly owned property portfolio is held for rental income and/or capital appreciation pending wider regeneration activity, rather than for sale in the ordinary course of business.

Investment property is initially recognised at cost, including directly attributable transaction costs such as SDLT, legal and professional fees, acquisition surveys and compensation costs where they are part of the completed acquisition. It is subsequently measured at fair value, with fair value movements recognised in the CIES and reversed through statutory reserves where required by the Code.

Mixed-use assets are assessed by reference to actual use. Where separately identifiable parts can be distinguished, OPDC considers whether each part should be accounted for separately rather than applying a single classification by default.

The classification of properties is a significant judgement which directly affects the net asset position and reported financial performance. Investment properties are held at fair value, with gains or losses taken through the Comprehensive Income and Expenditure Statement and adjusted through the Movement in Reserves Statement where statutory provisions require.

Property acquisitions through purchase of share capital

Where OPDC acquires the shares of a property-owning SPV, management assesses whether the transaction is a business combination or, in substance, the acquisition of an asset-holding vehicle. Management has applied the IFRS 3 concentration test and concluded that the SPV acquisitions made for land assembly purposes are asset acquisitions where substantially all of the fair value is concentrated in the underlying property asset or a group of similar assets.

In the Corporation’s separate financial statements, the legal transaction is recognised as an investment in subsidiary at cost, including directly attributable acquisition costs where appropriate. In the group accounts, the parent investment is eliminated and the underlying property and other assets and liabilities are consolidated from the date control is obtained.

i. Assumptions made about the future and major sources of estimation uncertainty

The preparation of financial statements in conformity with the Code requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Corporation’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions or estimates are significant to the financial statements and specifically to note 14 to the Accounts is disclosed below:

Item	What this means - Uncertainties	Effect if actual results differ from assumptions
Investment Property	Investment property valuations are based on a variety of assumptions to estimate the potential income to be generated by the assets. Should evidence emerge that causes the Corporation to amend these estimates, the estimated fair value of its investment properties could change.	Significant changes in the valuation assumptions would result in significantly lower or higher valuations and, therefore, valuation movement being recorded in the Comprehensive Income and Expenditure Statement (CIES).
Pensions liability	The estimation of the net liability to pay pensions depends on a number of complex judgements relating to the discount rates to be used, the rate at	The assumptions interact in complex ways. The actuaries review the assumptions triennially and changes are adjusted for in the accounts.

	which salaries are projected to increase, changes in retirement ages, mortality rates and expected returns on pension fund assets.	Sensitivity analysis is detailed in Note 14.

j. Revenue recognition

The core principle of IFRS 15 is applied and revenue reflects the transfer of goods or services to customers in an amount that reflects the consideration to which an entity expects to be entitled. The recognition of such revenue is in accordance with five steps to: identify the contract, identify the performance obligations, determine the transaction price, allocate the transaction price to the performance obligations and recognise revenue when the performance obligations are satisfied.

k. Grants

Whether paid on account, by instalments or in arrears, grants are recognised as due to the Corporation when there is reasonable assurance that:

- the Corporation will comply with the conditions attached to the payments; and
- the grants will be received.

Amounts recognised as due to the Corporation are not credited to the Comprehensive Income and Expenditure Statement until conditions attached to the grants have been satisfied. Conditions are stipulations that specify how the grant should be used by the Corporation and which if not met require the grant to be returned to the transferor.
Monies advanced as grants for which conditions have not been satisfied are carried in the Balance Sheet as creditors.

When conditions are satisfied, the grant is credited to the relevant service line, or non-ringfenced revenue grants and all capital grants credited to the Comprehensive Income and Expenditure Statement.

Where capital grants are credited to the Comprehensive Income and Expenditure Statement, they are reversed out of the General Fund Balance in the Movement in Reserves Statement. Where the grant has yet to be used to finance capital expenditure, it is posted to the Capital Grants Unapplied Reserve. Where it has been applied, it is posted to the Capital Adjustment Account. Amounts in the Capital Unapplied Reserve are transferred to the Capital Adjustment Account once they have been applied to expenditure.

Funding by the GLA is provided to the Corporation to match revenue (running) costs and spend profile; therefore, the Corporation does not hold significant grant surpluses.

l. Corporation and chargeable gains taxation

The Corporation is subject to corporation tax and complies with the Corporation Tax Acts.

m. Value added tax (VAT)

VAT payable is included as an expense only to the extent that it is not recoverable from His Majesty's Revenue and Customs. VAT receivable is payable to HMRC and is excluded from income.

n. Property, plant and equipment

Recognition

Expenditure on the acquisition, creation or enhancement of property, plant and equipment is capitalised on an accruals basis, provided that it is probable that the future economic benefits or service potential associated with the item will flow to the Corporation and the cost of the item can be reliably measured.

Expenditure that maintains but does not add to an asset's potential to deliver future economic benefits or service potential (repairs and maintenance) is charged as an expense when it is incurred.

Measurement

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, and any other costs directly attributable to bringing the assets to a working condition for their intended use. Where there is a legal obligation to remove the asset and/or restore the site on which it is located at the end of its useful economic life, the costs of dismantling and removing the items and restoring the site on which they are located are also included in the cost of the asset.

Assets are then carried in the Balance Sheet using the following measurement bases:

- assets under construction – depreciated historical cost.
- non-property assets – depreciated historical cost as a proxy for current value.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Depreciation

Depreciation is calculated on the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value. Depreciation is recognised in the Comprehensive Income and Expenditure Statement on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset.

Disposals

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of the item and are recognised net within other gains and losses in the Comprehensive Income and Expenditure Statement.

o. Investment property

Investment property is property held either to earn rental income, for capital appreciation or for both, but not for sale in the ordinary course of business, use in the supply of services or for administrative purposes.

Investment properties are measured initially at cost, including directly attributable acquisition costs. For OPDC, this normally includes purchase price, SDLT, legal fees, directly attributable professional fees, acquisition surveys and due diligence costs, and compensation or other payments required in the shadow of a potential compulsory purchase process where they form part of the completed acquisition.

As a non-financial asset, investment properties are measured at highest and best use. Properties are not depreciated but are revalued annually according to market conditions at the year end.

Gains and losses on revaluation are posted to the movement in fair value of investments within the Comprehensive Income and Expenditure Statement. The same treatment is applied to gains and losses on disposal.

Rentals received in relation to investment properties are credited to the Financing and Investment Income line and result in a gain for the General Fund Balance. However, revaluation and disposal gains and losses are not permitted by statutory arrangements to have an impact on the General Fund Balance.

The gains and losses are therefore reversed out of the General Fund Balance in the Movement in Reserves Statement and posted to the Capital Adjustment Account and (for any sale proceeds greater than £10,000) the Capital Receipts Reserve.

If the use of an investment property changes such that it requires a transfer to inventories, then the property's deemed cost in accordance IAS 2 (Inventories) shall be its fair value at the date of change in use.

Where there is a change in use of a property, this may result in a reclassification of an investment property to inventories, or vice versa. A change in use occurs when the property meets, or ceases to meet, the definition of investment property and there is evidence of the change in use.

As set out in IAS 40, a change in management's intentions for the use of a property does not, in isolation, provide evidence of a change in use. However, an example of a change in use is the commencement of development with a view to sale. In this context, management defines 'commencement of development' as the start of work on site, which could be on a phased basis and (with reference to Section 56 of the Town and Country Planning Act 1990) includes:

- any work of construction in the course of the erection of a building
- any work of demolition of a building
- the digging of a trench which is to contain the foundations, or part of the foundations, of a building

- the laying of any underground main or pipe to the foundations, or part of the foundations, of a building
- the course of laying out or constructing a road or part of a road

Where the Corporation decides to dispose of an investment property (e.g. land) without development, it continues to treat the property as an investment property until it is derecognised (eliminated from the statement of financial position) and does not reclassify it as inventory.

p. Investment in subsidiaries

The Corporation has material interests in companies and other entities that have the nature of subsidiaries and require it to prepare group accounts. In the Corporation's single-entity accounts, investments in subsidiaries are recognised at cost, including directly attributable acquisition costs where appropriate, and are reviewed for impairment where indicators exist. Loans to subsidiaries are accounted for separately as financial assets at amortised cost and assessed for expected credit losses under IFRS 9.

q. Leases

IFRS 16 Leases represents a significant change in lessee accounting by removing the distinction between operating leases (off-balance sheet financing) and finance leases (on-balance sheet financing) and introducing a single lessee accounting model. IFRS 16 requires recognition of assets and liabilities for all leases in the Statement of Financial Position (SoFP), with exemption given to low value leases and short-term leases, i.e. those with lease terms of less than 12 months. The adoption of the standard results in the recognition of a right-of-use asset, representing a right to use the underlying leased asset and a lease liability, representing an obligation to make lease payments.

Corporation as lessee

In accordance with IFRS 16, contracts, or parts of a contract that convey the right to use an asset in exchange for consideration are accounted for as leases. The Corporation has applied the standard to arrangements with other organisations. The definition of a contract is expanded to include intra-UK government agreements where non-performance may not be enforceable by law. This includes, for example, the Memorandum of Terms of Occupation (MOTO) and License to Occupy (LTO) agreements.

<u>Initial recognition</u>

At the commencement of a lease, the Corporation recognises a right-of-use asset at an amount equal to the lease liability.

The lease liability is measured at the present value of the remaining lease payments, net of value added tax, using the Corporation's incremental cost of borrowing rate where interest rates implicit in the lease cannot be readily determined.

Measurement of right-of-use assets

Initial measurement

At the commencement date, the Corporation measures the right-of-use asset at cost, which comprises:

- The amount of the initial measurement of the lease liability
- Any lease payments made at or before the commencement date less any lease incentives received
- Any initial direct costs incurred
- An estimate of costs to be incurred in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the lease terms and conditions.

Subsequent measurement

Right-of-use assets are subsequently measured in line with the cost model for IFRS 16 which is used as a proxy for valuation except where:

- A longer term contract which lacks clauses for the reassessment of lease payments in response to fluctuations in market conditions.
- There is a significant period of time between these assessments
- The valuation of the underlying asset is likely to fluctuate significantly due to changes in market prices.

Depreciation of right-of-use assets

Right-of-use assets are depreciated on a straight-line basis from commencement date to the end of the lease term or the end of the asset's useful economic life, whichever is shorter.

Impairment of right-of-use assets

The Corporation applies IAS 36 'Impairment of Assets' to determine whether a right-of-use asset is impaired and to account for any impairment loss identified.

Measurement of lease liabilities

Initial measurement

At the commencement date, the Corporation measures the lease liability at the present value of the lease payments that are not paid at that date. Lease payments are discounted using the Corporation's incremental cost of borrowing rate where interest rates implicit in the lease cannot be readily determined.

At the commencement date, lease payments included in the measurement of the lease liability comprise the following payments for the right to use the underlying asset during the term not paid at the commencement date:

- Fixed payments, including any in-substance fixed payments less any lease incentives receivable
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate at the commencement date, for example, payments linked to a consumer price index or a benchmark interest rate
- Amounts expected to be payable by the Corporation under a residual value guarantee
- The exercise price of a purchase option if the Corporation is reasonably certain to exercise that option
- Payments of penalties for terminating the lease if the lease term reflects the Corporation exercising the option to terminate the lease and the Corporation is reasonably certain to exercise this option.

<u>Subsequent measurement</u>

The lease liability is remeasured to reflect changes to the lease payments. The Corporation remeasures the lease liability by discounting the revised lease payments using a revised discount rate if there is a change in:

Lease term

- The Corporation's assessment of an option to purchase the underlying asset, assessed considering events and circumstances in the context of a purchase option. The Corporation determines the revised lease payments to reflect the change in amounts payable under the purchase option
- Amounts expected to be payable by the Corporation under a residual value guarantee
- Future lease payments resulting from a change in the index or rate used to determine these future lease payments, including a change to reflect changes in market rental rates following a market rent review. The Corporation remeasures the lease liability to reflect those revised lease payments only when there is a change in the cash flows (this will be when the adjustment to the lease payments takes effect).

The amount of remeasurement of the lease liability is recognised as an adjustment to the right-of-use asset where there is a balance on the right-of-use asset. If the carrying amount of the right-of-use asset is nil, or where a lease modification decreases the scope of the lease, the Corporation recognises the related gain or loss in the Comprehensive Income and Expenditure Statement in accordance with IFRS 16.

Corporation as lessor

<u>Classification</u>

The Corporation classifies leases where it is lessor as either an operating lease or a finance lease. The Corporation classifies a lease as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset. If it does not, then the lease is classified as an operating lease.

<u>Finance leases: recognition and measurement</u>

At the commencement date, the Corporation recognises assets held under a finance lease within the Statement of Financial Position and presents them as a receivable at an amount equal to the net investment in the lease using the interest rate implicit in the lease to measure the net investment in the lease. Initial direct costs are included in the net investment in the lease. Finance lease income is allocated over the lease term so as to reflect a constant periodic rate of return on the Corporation's net investment outstanding in respect of the leases.

Operating leases: recognition and measurement

The Corporation recognises lease payments from operating leases as income on a straight-line basis. The Corporation recognises costs, including depreciation incurred in earning the lease income as an expense. Initial direct costs incurred in obtaining the operating lease are added to the carrying amount of the underlying asset and these are expensed over the lease term on the same straight-line basis as the rental income.

r. Employee benefits

Benefits payable during employment

Short-term employee benefits are those due to be settled within twelve months of the year-end. They include benefits such as salaries, other remuneration, paid annual leave and paid sick leave – these are recognised as an expense for services in the year in which employees render service to the Corporation. An accrual is made for the cost of holiday entitlements earned by employees but not taken before the year end that employees can carry forward into the next financial year. The accrual is charged to the Surplus or Deficit on the Provision of Services, but then reversed out through the Movement in Reserves Statement so that holiday benefits are charged to revenue in the financial year in which the holiday absence occurs.

Termination benefits

Termination benefits are amounts payable as a result of a decision by the Corporation to terminate an officer's employment before the normal retirement date or an officer's decision to accept voluntary redundancy and are charged to the relevant service when the Corporation can no longer withdraw the offer of those benefits.

Post-employment benefits

Employees of the Corporation are members of the Local Government Pension Scheme.

The Local Government Pension Scheme

The Local Government Pension Scheme in respect of the Corporation's employees is administered by the London Pensions Fund Authority (LPFA) and is accounted for as a defined benefits scheme:

The liabilities of the LPFA pension scheme attributable to the Corporation are included in the balance sheet on an actuarial basis using the projected unit method i.e. an assessment of the future payments that will be made in relation to retirement benefits earned to date by employees, based on assumptions about mortality rates, employee turnover rates, etc. and projections of earnings for current employees.

The discount rate is the annualised yield at the 25-year point on the Merrill Lynch AA- rated corporate bond yield curve which has been chosen to meet the requirements of IAS 19 and with consideration of the duration of the Employer's liabilities. This is consistent with the approach used at the last accounting date.

The assets of the LPFA pension fund attributable to the Corporation are included in the Balance Sheet at their fair value as follows:

- quoted securities – current bid price.
- unquoted securities – professional estimate
- unitised securities – current bid price
- property – market value

The change in the net pensions' liability is analysed into the following components:

Service cost, comprising:

- current service cost – the increase in liabilities, as a result of years of service earned this year allocated in the Comprehensive Income and Expenditure Statement to the services for which the employees worked.
- past service cost – the increase in liabilities as a result of a scheme amendment or curtailment whose effect relates to years of service earned in earlier years, debited to the Surplus or Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement as part of Non-Distributed Costs.
- any gain or loss on settlement of a defined benefit plan when the settlement occurs;
- interest on the net defined benefit liability, i.e., net interest expense for the Corporation; and
- the change during the period in the net defined benefit liability that arises from the passage of time charged to the Financing and Investment Income and Expenditure line of the Comprehensive Income and Expenditure Statement. This is calculated by applying the discount rate used to measure the defined benefit obligation at the beginning of the period to the net defined benefit liability at the beginning of the period, taking into account any changes in the net defined benefit liability during the period as a result of contribution and benefit payments.

Re-measurements comprising:

- the return on plan assets, excluding amounts included in the interest on the net defined benefit liability, charged to the Pensions Reserve as Other Comprehensive Income and Expenditure.
- actuarial gains and losses, changes in the net pensions liability that arise because events have not coincided with the assumptions made at the last actuarial valuation or because the actuaries have updated their assumptions, charged to the Pensions Reserve as Other Comprehensive Income and Expenditure; and
- any change in the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability/asset.

In relation to retirement benefits, statutory provisions require the General Fund balance to be charged with the amount payable to the pension fund in the year, not the amount calculated according to the relevant accounting standards. In the Movement in Reserves Statement this means that there are appropriations to and from the Pensions Reserve to remove the notional debits and credits for retirement benefits and replace them with debits for the cash paid to the pension fund and pensioners and any such amounts payable but unpaid at the year-end. The negative balance that arises on the Pensions Reserve thereby measures the beneficial impact to the General Fund of being required to account for retirement benefits on the basis of cash flows rather than as benefits are earned by employees.

Reserves

Reserves consist of two elements, usable and unusable. Usable reserves are those that can be applied to fund expenditure. Unusable reserves cannot be applied to fund expenditure as they are not cash backed. They include the pension reserve, the capital adjustments account and the accumulated absences reserve.

s. Financial Instruments

OPDC recognises and measures financial instruments in accordance with IFRS 9 Financial Instruments.

Classification and measurement

Financial assets are classified at initial recognition based on the business model for managing the asset and the contractual cash flow characteristics. OPDC primarily holds financial assets at amortised cost, as they are managed to collect contractual cash flows that represent solely payments of principal and interest.

Financial liabilities are classified as measured at amortised cost, which includes borrowings from the GLA and other payables.

Initial recognition

All financial instruments are initially recognised at fair value. For instruments not measured at fair value through profit or loss, directly attributable transaction costs are added to the initial measurement.

Subsequent measurement

Financial assets at amortised cost are measured using the effective interest method. Interest income, impairment losses, and gains or losses on derecognition are recognised in the Surplus or Deficit on the Provision of Services.

Financial liabilities at amortised cost are measured using the effective interest method, with interest expense recognised in the Surplus or Deficit on the Provision of Services.

Expected Credit Loss

OPDC applies the expected credit loss (ECL) model to financial assets measured at amortised cost. For trade receivables, the simplified approach is used, recognising lifetime expected credit losses. For other financial assets, a three-stage approach is applied based on changes in credit risk since initial recognition.

At the reporting date, OPDC assessed that the credit risk associated with its financial assets remained low, and no expected credit losses were recognised.

Soft Loans

Where OPDC issues loans at nil interest rates or below-market interest rates (soft loans), such as those provided to small businesses, the fair value is calculated as the present value of future cash flows discounted at a market rate of interest. The difference between the fair value and the loan amount is recognised in the Surplus or Deficit on the Provision of Services and subsequently unwound over the life of the loan through interest income.

Given the immaterial value of such loans, no statutory adjustment is currently made to the General Fund, and no Financial Instruments Adjustment Account is maintained. The impact of these loans is not considered significant to OPDC's financial position or performance.

t. Trade and other receivables

The Corporation receives planning application income, grant income, rental income and section 106/CIL-related receipts. Planning application income is generally received when an application is submitted. Section 106 and similar contributions are recognised as receivables where a valid demand creates an enforceable right to cash, but are held as restricted receipts in advance until the relevant deed conditions have been satisfied or the funds are applied for their intended purpose. GLA and other grant funding is recognised when it is due and there is reasonable assurance that the Corporation will comply with the conditions attached to the funding.

u. Trade and other payables

Trade and other creditors are recognised at amortised cost and are the agreed amounts owed to suppliers.

v. Collection of Mayoral CIL

The Community Infrastructure Levy (CIL) is a planning charge, introduced by the Planning Act 2008, as a tool for local authorities in England and Wales to help deliver infrastructure to support the development of their area. The Levy was ratified on 29th February 2012 and applies to developments agreed after 1st April 2012. The collection of the CIL is delegated to the relevant planning authority in each administrative area and the planning authority is able to retain 4% of the levy to cover the costs of administration and collection. The value recognised is disclosed in the income section of note 2.

w. Provisions, contingent liabilities and contingent assets

Provisions are made where an event has taken place that gives rise to a legal or constructive obligation that probably requires settlement by a transfer of economic benefits or service potential and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the appropriate service line in the Comprehensive Income and Expenditure Statement in the year the Corporation becomes aware of the obligation and are measured at the best estimate at the balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet. Estimated settlements are reviewed at the end of each financial year – where it becomes less than probable that a transfer of economic benefits will now be required (or a lower settlement than anticipated is made), the provision is reversed and credited back to the relevant service.

Where some or all of the payment required to settle a provision is expected to be recovered from another party (e.g. from an insurance claim), this is only recognised as income for the relevant service if it is virtually certain that reimbursement will be received if the obligation is settled.

Contingent liabilities

A contingent liability arises where an event has taken place that gives rise to a possible obligation whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the Corporation. Contingent liabilities also arise in circumstances where a provision would otherwise be made but either it is not probable that an outflow of resources will be required, or the amount of the obligation cannot be measured reliably.

Contingent liabilities are not recognised in the Balance Sheet but disclosed in a note to the accounts.

Contingent assets

A contingent asset arises where an event has taken place that gives rise to a possible asset whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the Corporation.

Contingent assets are not recognised in the Balance Sheet but disclosed in a note to the accounts where it is probable that there will be an inflow of economic benefits or service potential.

x. Revenue expenditure funded from capital under statute (REFCUS)

Revenue expenditure funded from capital under statute is expenditure that may be capitalised under statutory provisions, but which does not result in the creation of a fixed asset for the Corporation. For example, grant paid to a third party for the purchase or creation of a fixed asset.

REFCUS is charged as expenditure to the relevant service revenue account in the year. Where such expenditure is funded from capital grants or contributions, the grant or contributions (or the portions that relate to the expenditure) are recognised as revenue grants or contributions. Both the expenditure and the grant or contribution are reversed out of the

General Fund Balance in the Movement in Reserves Statement and posted to the Capital Adjustment Account.

y. Fair value

OPDC measures certain non-financial assets, such as investment properties, at fair value at each reporting date in accordance with IFRS 13 – Fair Value Measurement. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement assumes that the transaction to sell the asset or transfer the liability takes place either:

a) in the principal market for the asset or liability, or
b) in the absence of a principal market, in the most advantageous market for the asset or liability.

OPDC measures the fair value of an asset or liability using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

When measuring the fair value of a non-financial asset, OPDC takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

OPDC uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Inputs to the valuation techniques in respect of assets and liabilities for which fair value is measured or disclosed in the Corporation's financial statements are categorised within the fair value hierarchy, as follows:

- Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities that the Corporation can access at the measurement date.
- Level 2 – inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
- Level 3 – unobservable inputs for the asset or liability.

z. Events after the reporting period

Events may occur between the year-end and the date that the statement of accounts is issued that might have a bearing upon the financial results of the past year and the financial position presented in the balance sheet.

The Code defines two types of events after the reporting period:

- adjusting events: those that provide evidence of conditions that exist at the Balance Sheet date, where material, the financial statements and notes in the statement of accounts are required to be amended to reflect the impact of the events.
- non-adjusting events: those that are indicative of conditions that arose after the Balance sheet date, the financial statements and the note in the statement of accounts are not amended to reflect the events, but additional explanatory notes may need to be added.

Events taking place after the date of authorisation for issue are not reflected in the Statement of Accounts.

Basis of preparation of group accounts

The Code requires local authorities with material interests in joint ventures or subsidiaries to prepare Group financial statements. Joint ventures are those entities over whose activities the Group has joint control, established by contractual agreement and requiring the venture's unanimous consent for strategic financial and operating decisions. In contrast, subsidiaries are those entities over whose activities the Group has control by itself.

Subsidiaries are consolidated into the Group accounts (from the date of acquisition) by adding like items of assets, liabilities, reserves, income and expenses together line by line to those of other group members in the financial statements. All intra-Group transactions, balances, income and expenses are eliminated on consolidation.

The acquisition of these companies has been determined by management to not be an acquisition of business per IFRS 3 and so the carrying value of the investment has been fair valued at year end. Assets which are readily realisable, such as debtors, creditors and cash are consolidated at their cash value and the properties have been impaired to their market value.

Old Oak Wharf (Holdings) Ltd

On 28 February 2024, OPDC acquired 100% of the share capital of Old Oak Wharf (Holdings) Ltd, a private limited company incorporated on 5 October 2023, which in turn owns 100% of Old Oak Wharf Ltd, also a private limited company incorporated on 5 October 2023.

Old Oak Wharf Ltd owns the site currently occupied by Lords Builders Merchant and leases the whole site to Carboclass Ltd, a private company with no relation to OPDC. The company has been acquired for its ownership of land inside the development area and the expected future synergies from combining land interests in the redevelopment area.

The group was acquired for £27.0m, paid in cash and, outside of the property, no other assets or liabilities were acquired. As disclosed above, the market value included significant amounts equivalent to the compensation due under a compulsory purchase, and at year end the carrying value of property has been impaired by £9.9m in 2023-24. In 2024-25, an upward revaluation of £0.3m was made to the investment property, bringing the carrying value to £17.6m at year end.

The company was incorporated just prior to OPDC's purchase therefore has no trading history. It has signed a lease which has a peppercorn rent for three years.

Sarastro Holdings Ltd

On 15 March 2024, OPDC acquired 100% of the share capital of Sarastro Holdings Ltd (Sarastro), a private limited company incorporated on 13 December 2001. Sarastro owns a site and leases out property to third party tenants on commercial terms.

The company has been acquired for the interest it has in land in the redevelopment area and the expected future synergies from combining land interests in the redevelopment area.

The total consideration transferred was £13.1m of which £1.1m was deferred until OPDC had control of the bank account. The investment property was initially recognised at £12.0 million. A downward revaluation of £1.4m was recognised in 2023–24 to reflect the fair value of the property at acquisition. In 2024–25, a further downward revaluation of £0.4m was recognised following a subsequent valuation. These adjustments have been reflected in the Group accounts through the Surplus or Deficit on the Provision of Services.

Park Score Ltd

On 6 June 2024, OPDC acquired 100% of the share capital of Park Score Ltd, a company that holds the freehold interest in the land and buildings at the northern end of Atlas Road, London NW10 6DN. Part of the land is leased out under commercial leases to HS2 and RATP Ltd.

The total purchase consideration was £34.4m, including associated tax and professional fees. This transaction did not meet the definition of a business combination under IFRS 3 because the acquired assets, while capable of generating outputs, lacked the integrated set of activities necessary for the conduct of a business.

A subsequent valuation has produced a fair value for the property of £26.5m and the revaluation has been taken at fair value through the profit and loss.

The major assets and liabilities acquired are Property: £22m, Debtors: £0.3m, Cash: £1.3m and Liabilities: £4.0m.

Regency PR 2 Ltd

On 25 March 2025, OPDC acquired 100% of the share capital of Regency PR 2 Ltd, a holding company which owns Regency PR PropCo Ltd.

Regency PR PropCo Ltd

The company owns an area known as the Victoria Road land, comprising the site of the former Boards Head Building and Websters Yard, Victoria Road, London NW10 6NR. The Property extends to approximately 3.36 acres and formerly comprised a waste transfer station and concrete batching plant but is currently occupied by High Speed Two Limited who have removed all structures and buildings.

The Property now comprises a fully concrete surfaced open storage yard and the site is equipped with water and electricity connections, bounded by secure fencing and is easily accessible for heavy goods vehicles.

The total purchase consideration was £33.1m, including associated tax, compensation and professional fees. This transaction did not meet the definition of a business combination under IFRS 3 because the acquired assets, while capable of generating outputs, lacked the integrated set of activities necessary for the conduct of a business.

A subsequent valuation has produced a fair value for the property of £26.6m and the downward revaluation has been taken at fair value through the profit and loss.

Dinemill Ltd / Osbourne Investments Ltd

On 7 April 2025, OPDC acquired 100% of the share capital of Dinemill Ltd for £35,7m. Dinemill owns 100% of the share capital of Osbourne Investments Ltd, which owns an investment property, a modern four story office block with large design/workshop spaces incorporated. The property was valued at £30.5m at year end.

The Group consolidation support includes the underlying Osbourne investment property at its 31 March 2026 fair value and the related 2025-26 SPV activity.

Victoria Road Holdco Limited / Victoria Road SPV Limited

On 21 January 2026, OPDC acquired 100% of the share capital of Victoria Road Holdco Limited, which owns 100% of Victoria Road SPV Limited. The underlying asset acquired was the freehold property purchased for £7.5m.

The property is classified as investment property in the Group accounts because it is held to earn rental income and for capital appreciation, not for owner occupation or service delivery.

The current-year subsidiaries and acquisition-related movements above have been included in the Group primary statements and related Group notes from the relevant acquisition dates, with intra-group balances, dividends and consolidation entries eliminated on consolidation.

During 2025-26 the Group consolidation included current-year SPV activity, property fair values, net asset and fair value adjustments, intercompany eliminations, dividend elimination and deferred tax consolidation treatment.

In every case, Gareth Blacker and Gurdip Juty, Executive Directors of OPDC were the only directors of the companies owned during the year. On 11 September 2025, Martin Harrison, OPDC's Head of Governance, was appointed as director for all the companies owned by OPDC.

Notes to the Financial Statements

1. Expenditure and funding analysis (EFA)

The EFA shows how annual expenditure is used and funded from resources (government grants and rents) in comparison with those resources consumed or earned in accordance with generally accepted accounting practices.

2025–26

	Net expenditure chargeable to the General Fund	Adjustments between funding and accounting basis	Net expenditure in the CIES
	£000	**£000**	**£000**
Chief Executive office	-	-	-
Corporate operations	9,239	-	9,239
Delivery	6,749	-	6,749
Planning	725	-	725
REFCUS	-	-	-
GLA grant	(19,935)	-	(19,935)
Net cost of services	**(3,221)**	**-**	**(3,221)**
Other income and expenditure	18,734	59	18,793
Subtotal	**15,514**	**59**	**15,572**
Opening general fund balance at 1 April	(229)		
Less surplus/deficit on general fund balance in year	(7,124)		
Closing general fund balance at 31 March	**(7,353)**		

2024–25

	Net expenditure chargeable to the General Fund	Adjustments between funding and accounting basis	Net expenditure in the CIES
	£000	£000	£000
Chief Executive office	974	-	974
Corporate operations	4,036	-	4,036
Delivery	7,060	-	7,060
Planning	796	-	796
REFCUS	-	-	-
GLA grant	(9,417)	-	(9,417)
Net cost of services	**3,449**	**-**	**3,449**
Other Income and expenditure	(3,449)	14,065	10,616
Subtotal	**-**	**14,065**	**14,065**
Opening general fund balance at 1 April	(1,239)		
Less surplus/deficit on general fund balance in year	1,010		
Closing general fund balance at 31 March	**(229)**		

The Corporation has four main directorates namely, Chief Executive office, corporate operations, delivery and planning, and it is on this basis that reportable segments have been identified.

The activities across these directorates are reported to the Senior Leadership Team on a monthly basis, and to the Board quarterly. This is done through a management accounts framework that scrutinises budgetary constraints and ensures alignment with funding. This is further analysed at a directorate level enabling full financial control to be maintained.

The directorates are separate for decision making purposes and there are no transactions between the two directorates. There have been no changes in segmental identification since the previous reporting period.

The balance sheet analysis by directorate is not reported to the Senior Leadership Team and the Board and, therefore, in accordance with IFRS 8 Operating Segments, is not disclosed in these financial statements.

Description of directorates

Chief executive office includes Boards, Committees and all governance activities carried out by OPDC.

Corporate operations consist of all the infrastructure, compliance, IT, Finance and HR activities.

Delivery is the land assembly and future design and build of the project.

Planning enables OPDC to fulfil its legal requirements as the statutory planning authority.

1a. EFA - Adjustments between funding and accounting basis

The adjustment between the accounting basis and funding under regulation is the same note as that for the Movement in Reserves Statement (MIRS), but the signage is opposite to the MIRS.

2025–26

Adjustments from General Fund to CIES	IAS 19 pension adjustment	Accumulated absences adjustment	Capital adjustment account.	Total adjustments
	£000	**£000**	**£000**	**£000**
Chief executive office	-	-	-	-
Corporate operations	-	-	-	-
Delivery	-	-	-	-
Planning	-	-	-	-
REFCUS	-	-	-	-
GLA grant	-	-	-	-
Net cost of services	**-**	**-**	**-**	**-**
Other income and expenditure from the funding analysis	101	(42)	-	59
Difference between general fund (surplus) or deficit and CIES (surplus) or deficit	**101**	**(42)**	**-**	**59**

2024–25

Adjustments from General Fund to CIES	IAS 19 pension adjustment	Accumulated absences adjustment	Capital adjustment account	Total adjustments
	£000	**£000**	**£000**	**£000**
Chief executive office	-	-	-	-
Corporate operations	-	-	-	-
Delivery	-	-	-	-
Planning	-	-	-	-
REFCUS	-	-	-	-
GLA grant	-	-	-	-
Net cost of services	**-**	**-**	**-**	**-**
Other Income and expenditure from the funding analysis	101	(7)	(14,159)	(14,065)
Difference between general fund (surplus) or deficit and CIES (surplus) or deficit	**101**	**(7)**	**(14,159)**	**(14,065)**

G1. Group Gross income and expenditure summary

	2025-26 £000	2024-25 £000
Income		
GLA income	(19,935)	(9,417)
Planning application fees	(1,877)	(542)
Mayoral CIL administration	(8)	(35)
Income from rental properties and other income	(4,830)	(1,843)
Other government grants	-	(1,929)
Revenue expenditure funded from capital under statute	-	-
General fees and charges	-	(226)
Other income	-	(70)
Other corporate and group items	-	(6,247)
Total income	**(26,649)**	**(20,309)**
Expenditure		
Employee benefits expenses	9,239	7,193
Other service expenses	4,413	4,297
Revenue expenditure funded from capital under statute	-	-
Consultancy and professional fees	7,061	7,712
Support service recharges	748	522
Total expenditure	**21,461**	**19,724**

2. Corporation Gross income and expenditure summary

	2025-26 £000	2024-25 £000
Income		
GLA grant / functional body contribution	(19,935)	(9,417)
Planning application fees	(1,877)	(919)
Mayoral CIL administration	(8)	(35)
Other income	(1,734)	(1,767)
Other government grants	-	(1,929)
Revenue expenditure funded from capital under statute	-	-
General fees and charges	-	(226)
Other income not analysed separately	-	(70)
Total income	**(23,954)**	**(14,363)**
Expenditure		
Employee benefits expenses	9,239	7,193
Other service expenses	3,533	2,485
Revenue expenditure funded from capital under statute	-	-
Consultancy and professional fees	7,061	7,612
Support service recharges	748	522
Total expenditure	**20,733**	**17,812**

Amounts included in the costs of services within the Comprehensive Income and Expenditure Statement but not reported to management within the in-year budget monitoring reports include pension service costs and corporation tax.

3. External audit fees (Corporation & Group)

External audit fees are made up as follows:

	2025-26	2024-25
	£000	£000
Fees payable to external auditors with regard to external audit services carried out by the appointed auditor	315	335
Total	**315**	**335**

Due to the increased scope of the 2023-24 and 2024-25 external audits, there are additional scale fee variations added to the audit fee. At present the total anticipated audit fee, including scale fee, is £215k (2023-24: £187k).

4. Remuneration

In the period of ownership of the subsidiary companies the group had no employees other than those employed and reported by OPDC in note 4 of the single entity statements.

The remuneration paid to the Corporation's senior employees is as follows:

2025-26

OPDC Staff	Name of post holder	Date of service	Salary (including fees and allowances)	Compensation for loss of office	Employer pension contributions	Total remuneration including pension contributions
			£	£	£	£
Chief Executive Officer	Matt Carpen	From 06/10/25	101,190	-	8,770	**109,960**
Chief Executive Officer	David Lunts	Until 05/10/25 left 03/11/25	140,055	-	12,743	**152,798**
Chief Operating / Finance Officer	Gurdip Juty		166,472	-	17,313	**183,785**
Executive Director – Delivery	Gareth Blacker		175,675	-	18,270	**193,945**
Director of Communications and Strategy	Rosalind Henville		93,515	-	6,396	**99,911**
Development director	Marianne Brook		160,759		16,719	**177,478**
Director of Projects	Davena Wilson		126,529	-	13,159	**139,688**

Director of Planning	Emma Williamson		138,884	-	14,444	**153,328**
Interim Director of Communications, Engagement & Strategy	Mr MS Neylan	Until 18/12/25	95,006	-	9,881	**104,887**

2024-25

OPDC Staff	Name of post holder	Date of service	Salary (including fees and allowances)	Compensation for loss of office	Employer pension contributions	Total remuneration including pension contributions
			£	£	£	**£**
Chief Executive Officer	David Lunts		193,070	-	20,079	**213,149**
Chief Operating / Finance Officer	Gurdip Juty		161,286	-	16,774	**178,060**
Executive Director – Delivery	Gareth Blacker		171,345	-	17,820	**189,165**
Director of Communications and Strategy	Rosalind Henville		95,159	-	11,182	**106,341**
Director of Projects	Davena Wilson		124,426	-	12,940	**137,366**
Director of Planning	Emma Williamson		130,589	-	13,581	**144,170**
Director of Development	Marianne Brook	May 2024	136,264	-	14,171	**150,435**

The Code requires disclosure of remuneration for the Corporation's employees whose total remuneration in the year was £50,000 or more, grouped in rising bands of £5,000. In line with the Code, entries are banded according to actual payments in the year (excluding employer's pension contributions), rather than annual equivalent salaries.

The following table discloses permanent Officers on the Corporation's payroll who earn above £50,000, but excludes seconded staff, agency staff and contractors.

Remuneration Band (£)	2025-26	2024-25
	Number of employees	Number of employees
50,000 - 54,999	6	6
55,000 - 59,999	5	6
60,000 - 64,999	2	8
65,000 - 69,999	17	15
70,000 - 74,999	7	1
75,000 - 79,999	2	-
80,000 - 84,999	2	-
85,000 - 89,999	4	8
90,000 - 94,999	9	6
95,000 - 99,999	3	2
100,000 - 104,999	-	-
105,000 - 109,999	-	1
110,000 - 114,999	-	-
115,000 - 119,999	2	2
120,000 - 124,999	1	1
125,000 - 129,999	1	-
130,000 - 134,999	-	-
135,000 - 139,999	1	1
140,000 - 144,999	1	-
145,000 - 149,999	-	-
150,000 - 154,999	-	-
155,000 - 159,999	-	1
160,000 - 164,999	1	1
165,000 - 169,999	1	-
170,000 - 174,999	-	1
175,000 - 179,999	1	-
180,000 - 184,999	-	-
185,000 - 189,999	-	-
190,000 - 194,999	-	1
Total	**66**	**61**

Termination benefits

The code requires the separate disclosure of the number and cost of compulsory and voluntary severance termination packages agreed during the year. There were two compulsory or voluntary severance termination packages agreed during the year.

Exit packages (£)	2024-25	2023-24
	Number of employees	Number of employees
0 - 9,999	3	1
10,000 - 19,999	-	1
20,000 - 29,999	-	-
30,000 - 39,999	-	-
40,000 - 49,999	-	-
Total	**3**	**2**

Members' Remuneration 2025-26

Title	Name	Salary (including fees and allowances)	Expenses	Total remuneration
		£000	**£000**	**£000**
OPDC Chair	Dame Karen Buck	30		**30**
Board Member	Muhammed Butt	14		**14**
Board Member	Stephen Cowan	14	-	**14**
Board Member	William Hill	18	-	**18**
Board Member	Shevaughn Rieck	16	-	**16**
Board Member	Peter Mason	14	-	**14**
Board Member	Amanulla Dalvi OBE	20	-	**20**
Board Member	Jonathan Milward	20	-	**20**
Board Member	Matthew Carpen	9	-	**9**
Board Member	Alexander Jan	5	-	**5**
Board Member	Eleanor Young	8	-	**8**
Board Member	Jules Pipe CBE Unremunerated	0	-	**0**
Board Member	Sarah McCready	5	-	**5**
Board Member	Shahi Islam	5	-	**5**
Board Member	Victoria Quinlan Unremunerated	0	-	**0**
Board Member	Wilda El-Haddad	18	-	**18**
Planning Committee Member	Rahul Gokhale	2	-	**2**
Planning Committee Member	Anna Ogundiya	4	-	**4**
Planning Committee Member	Gary Rice	1	-	**1**
Planning Committee Member	Hannah David	3		**3**
Planning Committee Member	Kathleen LeLoup	1		**1**
Planning Committee Member	**Matthew Stewart-Kelcher**	**4**		**4**

2024–25

Title	Name	Notes	Salary (including fees and allowances)	Expenses	Total remuneration
			£000	£000	£000
Board Chair and Development, Investment & Sustainability Committee Member	Liz Peace CBE		21		**21**
Board Chair and Development, Investment & Sustainability Committee Member	Dame Karen Buck		7		**7**
Board Member and Audit and Risk Committee member	Muhammed Butt		14	-	**14**
Board Member	Stephen Cowan		14	-	**14**
Board Member, Chair Planning Committee	William Hill		18	-	**18**
Board Member and Audit and Risk Committee member	Shevaughn Rieck		14	-	**14**
Board Member - Borough leader	Peter Mason		14	-	**14**
Board Member - Chair Audit & Risk Committee	Aman Dalvi OBE		18	-	**18**
Board Member- Chair Development, Investment & Sustainability Committee	Jonathan Milward		18	-	**18**
Board Member, Development, Investment & Sustainability Committee Member	Mathew Carpen		16	-	**16**
Planning Committee Member	Sarah Coutts		2	-	**2**
Planning Committee Member	Wesley Harcourt		2	-	**2**
Planning Committee Member	Natalia Perez		2	-	**2**
Planning Committee Member	Gary Rice		2	-	**2**
Planning Committee Member	Steve Quartermain CBE		2	-	**2**
Planning Committee Member	Anna Ogundiya		2	-	**2**
Board Member	Wilda El-Haddad		16	-	**16**
Board Member, Mayoral representative	Jules Pipe CBE	Unremunerated	-	-	**-**
Board Member, Development, Investment & Sustainability Committee Member	Victoria Quinlan	Unremunerated	-	-	**-**

Members of the OPDC Board or Committees, who are the Mayor or a member of the London Assembly, a member of staff of the GLA, or an employee of another statutory or public body may claim expenses but shall not be eligible to claim the Basic Board Allowance or any Committee Allowance. These are Cllr Muhammed Butt, Cllr Stephen Cowan and Cllr Peter Mason.

G4. Group Financing and investment income and expenditure

	31 March 2026	31 March 2025
	£000	**£000**
Net interest on the net defined benefit liability	-	(29)
Other bank and finance charges/(credits)	110	``(1,320)
Interest cost on GLA borrowing	5,981	1,628
Small business loan fair value movement	(237)	189
Finance expense - lease interest	66	30
Subsidiary external finance costs/(income)	164	-
Interest income from subsidiary companies	-	(8)
Total	**6,084**	**490**

5. Corporation Financing and investment income and expenditure

	31 March 2026	31 March 2025
	£000	**£000**
Net interest on the net defined benefit liability	-	(29)
Other bank and finance charges/(credits)	110	(1,433)
Interest cost on GLA borrowing	5,981	1,628
Interest income from subsidiary companies	(1,273)	(505)
Small business loan	(237)	189
Finance expense - lease interest	66	30
Other residual financing income/(charges)	-	-
Total financing and investment income/expenditure	4,647	(120)
Dividend income (separately presented in the CIES)	***(2,370)***	***(1,100)***

6. Corporation Taxation and non-specific grant income

	31 March 2026	31 March 2025
	£000	**£000**
S106 receipts	-	(477)
Capital grants and contributions	(6,641)	(43,755)
Total	**(6,641)**	**(44,232)**

7. Taxation

a) Corporation Corporation tax

The Corporation tax credit for the year ended 31 March 2026 is £38k. The Group corporation tax charge for the year is £65k.

	31 March 2026	31 March 2025
	£000	**£000**
Net (surplus)/ deficit on provision of services	15,988	(42,003)
Corporation tax at 25%	3,997	10,501
Effect of:		
Disallowable items	(4,036)	(10,501)
Fixed asset timing differences	-	-
Remeasurement of deferred tax for changes in tax rates	-	-
Movement in deferred tax not recognised	-	-
Pension Scheme adjustments	-	-
Losses	-	-
Corporation tax	**(38)**	**-**

8. Investments

OPDC's investments are classified within Level 3 of the fair value hierarchy, as defined by IFRS 13 due to the use of unobservable inputs in the valuation process.

Interrelationships between unobservable inputs

The valuation of OPDC's investment properties and subsidiary investments involves unobservable inputs such as site-specific development potential, planning status, market rental yields, discount rates, residual site values and finance cost assumptions.

These inputs are interrelated in that a change in one may influence the others. For example, an increase in assumed development density may lead to higher land value, but could also require more infrastructure investment, affecting net realisable value. Planning certainty may influence both valuation uplift and the discount rate applied.

These interrelationships can magnify or mitigate the overall impact on fair value. The external valuers assess these factors holistically, using market evidence and professional judgement in accordance with the RICS Red Book.

Sensitivity to changes in unobservable inputs

The valuation is sensitive to changes in key unobservable inputs including residual site values per acre, profit on cost and finance cost assumptions, equivalent and reversionary yields, market rent assumptions, planning certainty and development potential, lease expiry profiles and void periods and environmental performance (e.g. EPC ratings).

Changes in these inputs can significantly affect the fair value measurement. For example, an increase in assumed development density or planning certainty may increase the fair value. A higher discount rate or lower rental yield assumption may reduce the fair value.

The following tables summarises the movement in the fair value of investments over the year:

G5. Group Investments

The group recognised the following investment property movements in 2025-26.

a) Group Investment properties

	31 March 2026	31 March 2025
	£000	£000
Opening balance as at 1 April	136,080	63,044
Additions	113,334	105,346
Net fair value adjustments	(22,871)	(32,310)
Revaluations	-	-
Closing balance as at 31 March	**226,543**	**136,080**

b) Group Investment in subsidiaries

	31 March 2026	31 March 2025
	£000	£000
Opening balance as at 1 April	-	-
Additions	34,443	-
Net fair value adjustments	(34,443)	-
Closing balance as at 31 March	**-**	**-**

a) OPDC Investment properties

	31 March 2026	31 March 2025
	£000	£000
Opening balance as at 1 April	51,680	35,054
Additions	80,889	34,418
Net fair value adjustments	(23,211)	(17,792)
Closing balance as at 31 March	**109,358**	**51,680**

All fair value adjustments recognised in the Surplus or Deficit on the Provision of Services relate to unrealised movements on investment properties held at the end of the reporting period. No disposals, issues or settlements occurred during the year. There were no sales, issues or settlements of investment properties during the year.

Amounts recognised as rental income and operating expenses

	31 March 2026	31 March 2025
	£000	**£000**
Rental income	(1,734)	(1,767)
Operating expenditure	-	525
Net deficit/(surplus)	**(1,734)**	**(1,242)**

b) Corporation Investment in subsidiaries

	31 March 2026	31 March 2025
	£000	**£000**
Opening balance as at 1 April	66,930	29,091
Additions	62,939	52,837
Net fair value adjustments	(34,443)	(14,998)
Closing balance as at 31 March	**95,426**	**66,930**

An impairment adjustment of £34.4m has been recognised against investments in subsidiaries in the Corporation accounts in 2025-26, reducing the carrying amount at 31 March 2026 to £95.4m. The Corporation records investments in subsidiaries at cost in its separate financial statements and reviews those investments for impairment where indicators exist.

Application of accounting policy

In applying the Investment Property accounting policy, OPDC has made the following judgements:

- OPDC has a clear commercial focus, which is embedded in its corporate strategy and the way that the organisation is funded and structured. OPDC therefore deems it appropriate to classify its investment properties as one overall balance (on the face of the Balance Sheet).
- OPDC's investment properties are all held for capital appreciation and/or rental income and each is judged to meet the definition of IAS 40 as at the reporting date.
- In reaching the above conclusion, OPDC has considered if other alternative accounting treatments should apply – for example, whether:
    - any of the assets are being used solely for service delivery held for use in the production or supply of goods and services or because of regeneration policy and should therefore be classified as Property, Plant and Equipment under the Code; or
    - they meet the criteria for requiring a transfer to inventories.

- OPDC's conclusion at the reporting date is that none of these alternative treatments apply (see table below).

- OPDC is not involved nor exposed to significant variations in cashflows to any operations being undertaken in any of our properties.

Asset	Management determination of the classification of investment properties
Investment in directly owned land and buildings	The directly owned property portfolio has been assembled in line with OPDC's regeneration strategy. Management has concluded that the material properties are held to earn rental income and/or for capital appreciation pending wider regeneration activity and therefore meet the IAS 40 investment property definition rather than being owner-occupied or held for service delivery.
Investment in subsidiaries	Where the Corporation acquires property through SPV share acquisitions, the Corporation records the investment in subsidiaries in its separate financial statements. At group level, the underlying property classification follows the same IAS 40 analysis once the SPV is consolidated.

Investment property basis of valuation

OPDC's portfolio was acquired over the course of the year using professional advice, both on the acquisition of directly owned property and the investment in subsidiaries. The valuation report included an estimate of the value in accordance with "rule (2)" of section 5 of the Land Compensation Act 1961. Rule (2) states that:

"the value of land shall, subject as hereinafter provided, be taken to be the amount which the land if sold in the open market by a willing seller might be expected to realise."

In addition, the professional advisers provided estimates on the development value of each site to further support this.

Management has engaged external valuers to revalue all properties, whether directly owned or held in subsidiaries, as at 31 March 2026.

Fair value hierarchy

The external valuers have considered all of these assets as a Level 3 input, defined as:

"Level 3 inputs are unobservable inputs for the asset or liability. [IFRS 13:86]"

Investment in subsidiaries

In the year OPDC acquired 100% of the share capital of two more subsidiaries in addition to those already held, all of which held title to land and buildings in line with the land acquisition strategy.

Application of IFRS 3 – Business Combinations

All acquisitions made by OPDC during the reporting period were assessed against the definition of a business combination under IFRS 3. In each case, the acquired entities comprised primarily land and property assets which, while capable of generating outputs, lacked the integrated set of activities and processes required to constitute a business. Therefore, none of these transactions meet the definition of a business combination under IFRS 3.

9. Investments - valuations

Every site that OPDC has acquired has been bought by applying MHCLG, a government department, guidance on asset acquisition under the shadow of a CPO. The guidance states the purchase price should be at open market value, plus compensation for disturbance as you would expect to pay under a formal CPO.

To inform the purchases, OPDC obtains an independent specialist valuation report to ensure cost efficiency and appropriate value for money; and each proposal receives rigorous scrutiny at OPDC's Development Investment and Sustainability Committee which has delegated authority to approve all acquisitions.

Within the proposed redevelopment area most relevant properties are commercial, and where vacant are valued at Open Market Value with minimal compensation payment, professional fees and SDLT connected to the sale. However, some key strategic sites are operating businesses where the purchase price is valued at existing use plus compensation for disturbance costs, relocation if continuing business, professional fees and any losses. The overriding principle is that the purchase price should be the same as you would have to pay in any prospective CPO scheme.

In keeping with the approach above, management has revalued the properties held by the subsidiaries to the amount determined by the independent valuers. The following revaluation movements have been recognised through the CIES:

2025–26
Cumulative fair value movements

	Payment	Valuation	Cumulative fair value movement
	£000	£000	£000
Investment properties			
Old Oak Café	939	755	(184)
Midland Gate & Terrace	7,777	5,050	(2,727)
Atlas Wharf	26,490	17,000	(9,490)
Ursula Lapp	21,073	17,575	(3,498)
Minerva Road	4,786	4,150	(636)
Kildun Court	8,550	4,145	(4,405)
Sarastro Substation	192	30	(162)

2a Victoria Terrace	340	270	(70)
1&2 Goodhall Street	1,985	1,455	(530)
Unit 1 Pinnacle House (Nadi)	7,690	5,500	(2,190)
163B Wells Road	480	390	(90)
165 Wells Road	885	760	(125)
School Road 3, 5-9 & ABC	63,199	51,600	(11,599)
Total investment properties	**144,384**	**108,680**	**(35,704)**
Investment property in subsidiaries			
Atlas Road (Park Score Ltd)	34,168	26,210	(7,958)
Boden (Dinemill Ltd)	35,735	30,500	(5,235)
Websters (Regency PR2 Ltd)	33,215	26,310	(6,905)
Lords (Old Oak Wharf Ltd)	27,530	17,620	(9,910)
Sarastro Holdings Ltd	13,434	10,045	(3,389)
99 Victoria Road	7,538	6,500	(1,238)
Total investment property in subsidiaries	**151,619**	**117,185**	**(34,434)**
Unvalued AUC / other ledger difference to Note G5	678	678	200
Grand total	**296,682**	**226,543**	**(70,139)**

2024–25
Cumulative fair value movements

	Payment	Valuation	Fair Value Movement
	£000	**£000**	**£000**
Investment properties			
Old Oak Café	938	850	(88)
Midland Gate & Terrace	7,777	5,000	(2,777)
Atlas Wharf	26,490	17,250	(9,240)
Ursula Lapp	21,073	17,950	(3,123)
Minerva Road	4,785	4,200	(585)
Kildun Court	8,550	4,650	(3,900)
Sarastro Substation	192	30	(162)
2a Victoria Terrace	341	275	(66)
1&2 Goodhall Street	1,976	1,475	(501)
Total	**72,122**	**51,680**	**(20,442)**
Investment property in subsidiaries			
Sarastro Holdings Ltd	13,434	10,250	(3,184)
Old Oak Wharf (Holdings) Ltd	27,530	17,600	(9,930)
Park Score Ltd	34,359	26,450	(7,909)
Regency PR2 Ltd	33,090	26,600	(6,490)
Dinemill Ltd	3,500	3,500	-
Total	**111,913**	**84,400**	**(27,513)**
Grand total	**184,035**	**136,080**	**(47,955)**

Investments in subsidiaries do not meet the test required for inclusion as business combinations under IFRS 3 and so are accounted for at fair value through the profit and loss, with any movements in asset values passing through the CIES.

Highest and best use of investment properties

In estimating the fair value of the Corporation's investment properties, the highest and best use of the properties is their current use.

Quantitative information about fair value of measurement of investment properties

Input	Range	Weighted Average	Sensitivity
Rental income less irrecoverable costs	(£46,131) - £595,578	£228,458	Significant changes in rent growth, vacancy levels or capitalisation rate will result in a significantly lower or higher fair value.
Capitalisation rate	(1.10%) – 9.41%	1.84%	Significant changes in rent growth, vacancy levels or capitalisation rate will result in a significantly lower or higher fair value.

Valuation techniques

There has been no change in the valuation techniques used during the year for investment properties. Negative net rental income reflects properties that are currently vacant or where irrecoverable costs exceed rental income, which is typical for sites held for strategic redevelopment.

10. Right of use assets

Right of use assets	2025-26		2024-25	
	Buildings	Total	Buildings	Total
	£000	£000	£000	£000
Cost or valuation:				
Balance at 1 April	582	582	-	-
Additions	1,594	1,594	582	582
Remeasurement	-	-	-	-
Disposals	(582)	(582)	-	-
Balance at 31 March	**1,594**	**1,594**	**582**	**582**
Depreciation:				
Balance at 1 April	(201)	(201)	-	-
Charged in year	(152)	(152)	(201)	(201)
Disposals	201	201	-	-
Balance at 31 March	**(152)**	**(152)**	**(201)**	**(201)**
Carrying amount at 31 March	**1,442**	**1,442**	**381**	**381**
Asset financing:				
Finance leased	1,442	1,442	381	381
Carrying amount at 31 March	**1,442**	**1,442**	**381**	**381**

11. Financial assets

OPDC holds a number of intercompany loans which are classified and measured at amortised cost in the OPDC accounts. Management has assessed the recoverability of these loans by comparing the carrying value of each loan to the fair value of the respective subsidiary, based on external property valuations obtained annually. As the fair value of each loan does not exceed the fair value of the corresponding subsidiary, no impairment has been recognised. This assessment is reviewed annually in line with the timing of external valuations. Intragroup and small businesses loans are shown in the table below:

2025–26

	Websters / Regency funding	Other subsidiary loans	Small businesses	Total OPDC
	£000	**£000**	**£000**	**£000**
Value as at 1 April	1,529	-	-	1,529
Additions	20,971	-	41	21,012
Repayments	-	-	-	-
Value as at 31 March	**22,500**	**-**	**41**	**22,541**

2024–25

	Regency PR2 Limited	Old Oak Wharf Limited	Park Score Limited	Small Businesses	Total OPDC
	£000	**£000**	**£000**	**£000**	**£000**
Value as at 1 April	-	-	-	48	48
Additions	8,075	3,974	6,546	203	18,798
Repayments	-	-	-	(14)	(14)
Value as at 31 March	**8,075**	**3,974**	**6,546**	**237**	**18,832**

G7. Group Trade and other receivables

	31 March 2026	31 March 2025
	£000	**£000**
Amounts falling due within one year		
Debtor (GLA)	-	7
Local government	-	-
Central government	-	-
Prepaid expenses and accrued income	222	53
GLA functional bodies	-	-
Taxation debtor (HMRC)	537	416
Other entities and individuals	857	1,832
Other current receivables	910	**-**
Total	**2,526**	**2,308**

Amounts falling due after more than one year		
Prepayments and accrued income	2	5
Soft loans	361	-
Total non-current trade and other receivables	**363**	**5**
Total trade and other receivables	**2,889**	**2,313**

12. Corporation Trade and other receivables

	31 March 2026	31 March 2025
	£000	£000
Amounts falling due within one year		
Debtor (GLA)	-	7
Local government	-	-
Central government	-	-
Prepaid expenses and accrued income	222	-
GLA functional bodies	-	-
Taxation debtor (HMRC)	537	401
Other entities and individuals	857	1,620
Total current trade and other receivables	**1,617**	**2,028**
Amounts falling due after more than one year		
Prepayments and accrued income	2	5
Other non-current receivables	-	-
Total trade and other receivables	**1,619**	**2,033**

G8. Group Trade and other payables

	31 March 2026	31 March 2025
	£000	£000
Current liabilities		
Tax liabilities (HMRC)	(214)	(892)
Local authorities & GLA functional bodies	(1,884)	(1,904)
Deferred consideration	-	-
Other entities and individuals	(555)	(7,248)
Deferred income	(428)	(398)
Receipts in advance	(5,813)	-
Other current payables / consolidation residual	(1,286)	-
Total current liabilities	**(10,179)**	**(10,442)**
Non-current liabilities		
Retirement benefit obligation	-	-
GLA Land Fund	(204,656)	(97,842)
Receipts in advance	(58,545)	(17,806)
Accruals and deferred income	(1,642)	(49)

Borrowings	(850)	(250)
Other payables	-	(206)
Total non-current liabilities	**(265,693)**	**(116,153)**
Total current and non-current liabilities	**(275,872)**	**(126,595)**

13. Corporation Trade and other payables

	31 March 2026	31 March 2025
	£000	**£000**
Amounts falling due within one year		
Tax liabilities (HMRC)	(214)	(607)
Local authorities & GLA functional bodies	(1,884)	(1,904)
Deferred consideration	-	-
Other entities and individuals	302	(7,047)
Receipts in advance	-	-
Accruals and deferred income	(428)	(398)
Other current payables / residual	(6,669)	-
Total current trade and other payables	**(8,893)**	**(9,956)**
Amounts falling due after more than one year		
Retirement benefit obligation	-	-
GLA Land Fund	(204,656)	(97,842)
Intercompany loans	-	-
Accruals and deferred income	(1,642)	(17)
Other payables	(850)	(250)
Total non-current trade and other payables	**(207,148)**	**(98,109)**
Total trade and other payables	**(216,041)**	**(108,065)**

OPDC has a long-term loan arrangement with the GLA for borrowing to support the land acquisition strategy. This borrowing attracts interest payable at the Public Works Loan Fund rate at the time of drawdown, and interest is settled annually. GLA give budget and cash cover to OPDC for this settlement. The borrowing is repayable over the maturity of the development scheme and is shown at amortised cost, which is the same as the initial transaction value. No impairment is currently required as the amount remains repayable in full through the development of the scheme over the long term.

14. Pensions

Local Government Pension Scheme

The Corporation provides the opportunity for its employees to participate in the Local Government Pension Scheme. The LGPS is administered by the London Pensions Fund Authority (LPFA) and is a defined benefit statutory scheme where the scheme rules define the benefits independently of the contributions payable and the benefits are not directly related to the investments of the scheme. The LGPS is triennially valued in accordance with the provisions of the Local Government Pension Scheme Regulations (2013).

The fund's actuaries, Barnett Waddingham, carried out the most recent full triennial valuation as at 31 March 2025, with contribution rates effective from 1 April 2026, in line with statutory requirements. Employer's and employees' contributions to the Scheme were determined by the actuary following this valuation and the value of the liabilities as at this date has been rolled forward. Under pension regulations, contribution rates are set to meet 100% of the overall liabilities of the Fund. The primary rate of contribution for the Corporation from 1 April 2026 is 12%. Members pay contributions at rates correlating to pensionable salary bands. A surplus or deficit on the fund would lead to an adjustment to the contribution rates, which are reviewed every three years.

Life expectancy from age 65 (years)	31 March 2026	31 March 2025
Retiring today		
Males	22.1	21.8
Females	22.2	23.9
Retiring in 20 years		
Males	23.7	22.2
Females	26.7	25.3

Financial assumptions	31 March 2026	31 March 2025
Discount rate	6.30	5.95
Pension increases	2.95	2.85
RPI inflation	3.25	3.05
Salary increases	3.95	3.85

The assumptions used to measure events in the accounting period from 1 April 2025 to 31 March 2026 are set with reference to market conditions at 31 March 2026.

The estimated Macaulay duration of the Corporation's defined benefit liabilities at 31 March 2026 is 25 years.

The asset ceiling is the present value of any economic benefit available to the Employer in the form of refunds or reduced future employer contributions. The calculation of the asset ceiling has followed the actuaries interpretation of IFRIC14. This produced the following result:

Reconciliation of change in impact of asset ceiling	Year to 31 March 2026 £'000	Year to 31 March 2025 £'000
Opening impact	2,285	-
Interest impact	136	-
Actuarial losses (gains)	(58)	2,285
Closing impact	2,363	2,285

Amounts charged to the Comprehensive Income and Expenditure Statement

	31 March 2026 £000	31 March 2025 £000
Service cost	440	664
Administration expenses	7	2
Total included in net cost of services	**447**	**666**
Net interest on the defined liability	(17)	(29)
Total included in deficit on provision of services before tax	**(17)**	**(29)**
Remeasurement of the net defined benefit asset / liability	(143)	402
Total	**287**	**1,039**

Reconciliation of present value of the defined benefit obligation

	31 March 2026 £000	31 March 2025 £000
Opening defined benefit obligation	(5,731)	(6,368)
Current service cost	(440)	(588)
Interest cost	(356)	(334)
Change in financial assumptions	543	1,985
Change in demographic assumptions	(88)	15
Experience gain/ (loss) on defined benefit obligation	(2,051)	18
Liabilities extinguished/ (assumed) on settlements	-	-
Estimated benefits paid net of transfers in	(28)	34
Past service costs, including curtailments	-	(76)
Contribution by Scheme participants	(487)	(417)
Closing defined benefit obligation	**(8,638)**	**(5,731)**

Reconciliation of fair value of fund assets

	31 March 2026 £000	31 March 2025 £000
Opening fair value of fund assets	8,016	6,871
Interest on assets	509	363
Return on assets less interest	(152)	(135)
Other actuarial gains/(losses)	1,547	-
Administration expenses	(7)	(2)
Contributions by employer including unfunded	573	536
Contribution by Scheme participants	487	417
Estimated benefits paid plus unfunded net of transfers in	28	(34)
Settlement prices received	-	-
Closing fair value of fund assets	**11,001**	**8,016**

The amount included in the Balance Sheet arising from the Corporation's asset/(obligation) in respect of its defined benefit plans is as follows:

	31 March 2026	31 March 2025
	£000	£000
Present value of the defined benefit obligation	(8,638)	(5,731)
Fair value of fund assets	11,001	8,016
Deficit/ (Surplus)	**2,363**	**2,285**
Impact of asset ceiling	(2,363)	(2,285)
Net (liability)/ asset arising from defined benefit obligation	**-**	**-**

Local Government Pension Scheme assets comprised:

	31 March 2026		31 March 2025	
	£000	%	£000	%
Employer asset share - bid value				
Equities	5,886	53	4,728	59
Target return portfolio	2,318	21	1,456	18
Infrastructure	1,292	12	914	11
Property	1,134	10	731	9
Cash	371	3	187	2
Total	**11,001**	**100**	**8,016**	**100**

Sensitivity analysis

The following table sets out the impact of a small change in the discount rates on the defined benefit obligation and projected service cost along with a +/- year age rating adjustment to the mortality assumption.

	2025-26			2024-25		
	£000	£000	£000	£000	£000	£000
Adjustment to discount rate	**+0.5%**	**+0.1%**	**0.0%**	**+0.5%**	**+0.1%**	**0.0%**
Present value of total obligation	5,519	5,731	6,368	5,019	5,579	5,731
Projected service cost	324	314	428	216	293	314
Adjustment to long term salary increase	**+0.5%**	**+0.1%**	**0.0%**	**+0.5%**	**+0.1%**	**0.0%**
Present value of total obligation	6,424	5,731	6,368	5,764	5,737	5,731
Projected service cost	430	314	428	314	314	314
Adjustment to pension increases and deferred revaluation	**+0.5%**	**+0.1%**	**0.0%**	**+0.5%**	**+0.1%**	**0.0%**
Present value of total obligation	7,346	5,731	6,368	6,567	5,887	5,731
Projected service cost	556	314	428	435	336	314
Adjustment to life expectancy assumptions	**+1 Year**	**None**	**-1 Year**	**+1 Year**	**None**	**-1 Year**
Present value of total obligation	6,536	5,731	6,205	5,861	5,731	5,604
Projected service cost	447	314	410	330	314	298

G10. Leases

The Group leases out property under operating lease arrangements. These leases relate to commercial, industrial, and community-use premises held within the Group's property portfolio. The leases do not transfer substantially all risks and rewards incidental to ownership and are therefore classified as operating leases.

At the end of the reporting period, the group had contracted with tenants for the following minimum lease payments:

Group as a lessor

	31 March 2026	31 March 2025
	£000	**£000**
Buildings:		
Not later than one year	2,301	1,395
Later than one year and not later than two years	1,923	1,395
Later than two years and not later than three years	1,817	1,017
Later than three years and not later than four years	428	517
Later than four years and not later than five years	428	428
Later than five years	695	1,123
Total undiscounted lease payments receivable	**7,592**	**5,875**

Lease income recognised in the year totalled £2,673k. No income was received from variable lease payments.

15. Leases

As explained in note q of the Corporation accounting policies note, the Corporation has adopted IFRS 16 Leases from 1 April 2024, in line with the transitional provisions set out in the Code of Practice on Local Authority Accounting. This change in accounting policy results in changes to the way leases are recognised in the financial statements.

Under the previous accounting standard, operating leases were not recognised on the Balance Sheet. From 1 April 2024, however, leases classified as operating leases are now brought onto the Balance Sheet, with the recognition of both a right-of-use asset (see note 10) and a corresponding lease liability.

Corporation as a lessee – lease liabilities

See note q of the Corporation accounting policies for further information.

Total future minimum lease payments are given in the table below:

	31 March 2026 £000	31 March 2025 £000
Buildings:		
Not later than one year	302	319
Later than one year and not later than five years	1,166	99
Later than five years	-	-
Sub-total	**1,468**	**418**
Less interest element	-	(25)
Present value of obligations	**1,468**	**393**
Of which:		
Current	302	299
Non-current	1,166	94

Notes:

City & Docklands OWP Limited - Unit 3501, London and One West Point, London

During 2025-26, the One West Point leases ended and a new lease was entered into for OPDC office accommodation. The new lease gave rise to an in-year increase in lease liabilities of £1.594m. Lease payments made in-year include £0.518m of capital repayments presented within financing activities in the Statement of Cash Flows.

Lease liabilities due within 12 months of the reporting date are classified as current. The remaining lease liability relates to lease payments due after more than one year and is therefore classified as non-current.

Lease costs

At the end of the reporting period, the entity had charged the following costs to the Comprehensive Income and Expenditure Statement:

	31 March 2026 £000	31 March 2025 £000
Costs:		
Finance lease interest charges	66	30
Depreciation charges	152	201
Total	**218**	**231**

Amounts recognised in the Statement of Cash Flows

	31 March 2026	31 March 2025
	£000	£000
Cash flows:		
Repayment of capital	-	220
Interest charges	66	30
Total	**66**	**250**

Corporation as a lessor

The Corporation leases out property under operating lease arrangements. These leases relate to commercial, industrial, and community-use premises held within the Corporation's property portfolio. Lease arrangements support the Corporation's regeneration and asset management strategy, including continuity of economic activity and enabling local businesses to remain in the area during redevelopment. The leases do not transfer substantially all risks and rewards incidental to ownership and are therefore classified as operating leases.

At the end of the reporting period, the entity had contracted with tenants for the following minimum lease payments:

	31 March 2026	31 March 2025
	£000	£000
Buildings:		
Not later than one year	566	944
Later than one year and not later than two years	121	566
Later than two years and not later than three years	-	85
Later than three years and not later than four years	-	18
Later than four years and not later than five years	-	18
Later than five years	36	36
Total undiscounted lease payments receivable	**723**	**1,667**

Lease income recognised in the year totalled £2,134k. No income was received from variable lease payments.

16. Cash flow

The surplus or deficit on the provision of services has been adjusted for the following non-cash movements:

	31 March 2026	31 March 2025
	£000	£000
(Increase) / decrease in trade and other receivables	(576)	3,929
Increase / (decrease) in trade and other payables	108,538	5,002
Change in fair value of investment property	22,871	32,310
Depreciation of right of use assets	152	-

Increase/ (decrease) in grants receipts in advance	40,639	-
Other non-cash / consolidation and classification bridge	(71,258)	17,817
Movement in pension asset	-	503
Items not passing through the Comprehensive Income and Expenditure Statement	-	(17,988)
Adjustment to net deficit for non-cash movement	**100,366**	**41,573**
Lease cash flow disclosure	**31 March 2026**	**31 March 2025**
Increase in lease liability from new lease entered in-year (non-cash inception disclosure)	1,594	-
In-year cash payment of lease liability included in financing activities	(518)	(220)

The surplus or deficit on the provision of services has been adjusted for the following items that are investing and financing activities:

	31 March 2026	31 March 2025
	£000	£000
Intra group loans adjustment	-	-
Other investing or financing cash flows	-	-
Adjustment to investment and financing activities	**-**	**-**

Cash flow statement – investing activities

	31 March 2026	31 March 2025
	£000	£000
Purchase of investment property	(113,334)	(87,255)
Investments in subsidiaries (net of loans issued)	(34,443)	-
Loans advanced to subsidiary companies and small businesses	(41)	(201)
Loan repayments from small businesses	-	14
Net cash flows from investing activities	**(147,819)**	**(87,442)**

Cash flow statement – financing activities

	31 March 2026	31 March 2025
	£000	£000
Receipts from other financing activities	106,814	47,842
Movements in short-term and long-term borrowings	-	(18,693)
Capital element of payments in respect of finance leases	(518)	(220)
Net cash flows from financing activities	**106,295**	**28,929**

Cash flow statement – operating activities

The surplus or deficit on the provision of services has been adjusted for the following non-cash movements:

	31 March 2026	31 March 2025
	£000	£000
(Increase)/ decrease in trade and other receivables	53	4,138
Increase/ (decrease) in trade and other payables	1,163	4,615
Increase/ (decrease) in grants receipts in advance	40,639	-
Change in fair value of investment property	23,211	32,790
Depreciation of right of use asset	152	201
Other non-cash/ classification bridge	58,783	(876)
Movements in pension (asset)/ liability	-	503
Adjustment to net deficit for non-cash movement	124,001	41,371
Lease cash flow disclosure	**31 March 2026**	**31 March 2025**
Increase in lease liability from new lease entered in-year (non-cash inception disclosure)	1,594	-
In-year cash payment of lease liability included in financing activities	(518)	(220)

The surplus or deficit on the provision of services has been adjusted for the following items that are investing and financing activities:

	31 March 2026	31 March 2025
	£000	£000
Any other items for which the cash effects are investing or financing cash flows	-	-
Adjustment to investment and financing activities	**-**	**-**

The cash flows for operating activities include the following items:

	31 March 2026	31 March 2025
	£000	£000
Interest paid	5,981	1,628
Interest received	(1,273)	(1,967)
Dividend received	(2,370)	(1,100)
Finance lease interest	(83)	30
Total	**2,255**	**(1,409)**

Cash flow statement – investing activities

	31 March 2026 £000	31 March 2025 £000
Purchase of investment property	(80,889)	(34,418)
Investments in subsidiaries (net of loans issued)	(62,939)	(52,837)
Loans advanced to subsidiary companies	(20,971)	(18,293)
Loans advanced to small businesses	(41)	-
Loan repayments from small businesses	-	14
Net cash flows from investing activities	**(164,840)**	**(105,534)**

Cash flow statement – financing activities

	31 March 2026 £000	31 March 2025 £000
Receipts from GLA land fund	106,814	47,842
Cash receipts of long-term and short-term borrowings	-	-
Repayments of long-term and short-term borrowings	-	(18,693)
Capital element of payments in respect of finance leases	(518)	(220)
Net cash flows from financing activities	**106,295**	**28,929**

G11. Reserves

Usable reserves

2025–26

	General Fund Balance £000	Capital Grants Unapplied £000	Total Usable Reserves £000
Opening balance	**(12,497)**	**(6,773)**	**(19,270)**
Surplus or deficit on provision of services	16,791	-	**16,791**
S106 receipts with no refund clause	-	-	**-**
Dividends received from subsidiary	-	-	**-**
Holiday pay (transferred to/(from) the Accumulated Absences Reserve)	-	-	**-**
Pension costs transferred to/(from) the Pensions Reserve	-	-	**-**
Movements in the Fair Value of Investments	(25,393)	-	**(25,393)**
Capital grants and contributions credited to the CIES that have been applied to capital financing	-	6,773	**6,773**
Application of grants to capital financing from the grants unapplied account	-	-	**-**
Ordinary share capital	-	-	**-**

Share premium account	-	-	**-**
Distributable reserve	-	-	**-**
Less: dividend paid	-	-	**-**
Transfer between reserves in subsidiary companies	-	-	**-**
Profit for the year from subsidiary companies	-	-	**-**
Other	13,729	-	**13,729**
Closing balance	**(7,370)**	**-**	**(7,370)**

2024–25

	General Fund Balance	Capital Grants Unapplied	Total Usable Reserves
	£000	£000	£000
Opening balance	**(2,448)**	**(10,615)**	**(13,063)**
Surplus or deficit on provision of services	(9,169)	-	**(9,169)**
S106 receipts with no refund clause	(314)	314	**-**
Dividends received from subsidiary	(1,100)	-	**(1,100)**
Holiday pay (transferred to/(from) the Accumulated Absences Reserve)	7	-	**7**
Pension costs transferred to/(from) the Pensions Reserve	(101)	-	**(101)**
Movements in the Fair Value of Investments	(32,310)		**(32,310)**
Capital grants and contributions credited to the CIES that have been applied to capital financing	44,521	(757)	**43,764**
Application of grants to capital financing from the grants unapplied account	-	4,285	**4,285**
Ordinary share capital	(29)	-	**(29)**
Share premium account	(7,331)	-	**(7,331)**
Distributable reserve	(5,055)	-	**(5,055)**
Less: dividend paid	-	-	**-**
Transfer between reserves in subsidiary companies	1,702	-	**1,702**
Profit for the year from subsidiary companies	-	-	**-**
Other	(870)	-	**(870)**
Closing balance	**(12,497)**	**(6,773)**	**(19,270)**

Unusable reserves

	31 March 2026	31 March 2025
	£000	£000
Pension Reserve	-	**-**
Accumulated Absences Account	224	**181**
Capital Adjustment Account	(19,182)	**(36,309)**
Transfer between reserves in subsidiary companies	(1,702)	**(1,702)**
Undistributable reserves acquired in subsidiary companies	(52,480)	**(52,480)**
Elimination of investment in subsidiary companies	54,182	**66,930**
Total unusable reserves	**(18,958)**	**(23,380)**

Capital adjustment account

	31 March 2026	31 March 2025
	£000	£000
Opening balance	**(36,309)**	**(21,670)**
Reversal of items relating to capital expenditure debited or credited to the Comprehensive Income and Expenditure Statement:		
Movement in the Fair Value of Investments	25,393	**32,310**
Revenue expenditure funded from capital under statute (REFCUS)	-	**-**
Dividends received from subsidiary	-	**1,100**
Capital financing applied in the year:		
Capital grants and contributions credited to the Comprehensive Income and Expenditure Statement that have been applied to capital financing	-	**(43,755)**
Capital expenditure funded from revenue	-	**(9)**
Application of grants to capital financing from the capital grants unapplied account	-	**(4,285)**
Other capital adjustment and consolidation movements	(8,266)	**-**
Closing balance	**(19,182)**	**(36,309)**

Unusable reserves acquired in subsidiary companies

These reserves represent non-distributable balances acquired through the consolidation of subsidiary entities. They include amounts held in revaluation reserves and other reserves that are not available for distribution.

	31 March 2026	31 March 2025
	£000	£000
Balance as at 1 April	**(54,182)**	**(27,926)**
Non-distributable reserves	-	(26,256)
Revaluation reserve	-	-
Balance as at 31 March	**(54,182)**	**(54,182)**

17. Reserves

Usable reserves

2025–26

	General Fund Balance £000	Capital Grants Unapplied £000	Total Usable Reserves £000
Opening balance	(229)	(6,773)	**(7,002)**
Surplus or deficit on provision of services	15,572	-	**15,572**
S106 receipts with no refund clause	-	-	**-**
Dividends received from subsidiary	-	-	**-**
Holiday pay (transferred to/ (from) the Accumulated Absences Reserve)	(42)	-	**(42)**
Pension costs transferred to/ (from) the Pensions Reserve	143	-	**143**
Movements in the Fair Value of Investments	(25,393)	-	**(25,393)**
Capital grants and contributions credited to the CIES that have been applied to capital financing	-	6,773	**6,773**
Other statutory and funding-basis adjustments	2,579	-	**2,579**
Closing balance	**(7,370)**	**-**	**(7,370)**

Usable reserves

2024–25

	General Fund Balance £000	Capital Grants Unapplied £000	Total Usable Reserves £000
Opening balance	**(1,239)**	**(10,615)**	**(11,854)**
Surplus or deficit on provision of services	(9,213)	-	**(9,213)**
S106 receipts with no refund clause	(314)	314	**-**
Dividends received from subsidiary	(1,100)	-	**(1,100)**
Holiday pay (transferred to/(from) the Accumulated Absences Reserve)	7	-	**7**
Pension costs transferred to/(from) the Pensions Reserve	(101)	-	**(101)**
Movements in the Fair Value of Investments	(32,790)		**(32,790)**
Capital grants and contributions credited to the CIES that have been applied to capital financing	44,521	(757)	**43,764**
Application of grants to capital financing from the grants unapplied account	-	4,285	**4,285**
Closing balance	**(229)**	**(6,773)**	**(7,002)**

Capital and revenue grants unapplied

This reserve absorbs grants to be used for capital purposes that contain restrictions on their use or on the period they are to be used in after which they would need to be returned.

	31 March 2026 £000	31 March 2025 £000
Capital grants unapplied	-	(6,773)
Revenue grants unapplied	-	-
Total	**-**	**(6,773)**

Unusable reserves

	31 March 2026 £000	31 March 2025 £000
Pension reserve	-	-
Accumulated absences account	224	181
Capital adjustment account	(19,904)	(35,829)
Total unusable reserves	**(19,681)**	**(35,648)**

Pensions reserve

The Pensions Reserve absorbs the timing differences arising from the different arrangements for accounting for post-employment benefits and for funding benefits in accordance with statutory provisions. The Corporation accounts for post-employment benefits, in the Comprehensive Income and Expenditure Statement, as the benefits are earned by employees accruing years of service, updating the liabilities recognised to reflect inflation, changing assumptions and investment returns on any resources set aside to meet the costs. However, statutory arrangements require benefits earned to be financed as the Corporation makes employee contributions to pension funds or eventually pays any pension for which it is directly responsible. The nil balance on the Pensions Reserve therefore shows the impact of the asset ceiling as the reserve belongs to the members, not the corporation.

The statutory arrangements will ensure that funding will have been set aside by the time the benefits come to be paid.

	31 March 2026 £000	31 March 2025 £000
Opening balance	-	**(503)**
Remeasurement of the net defined benefit liability/asset	(143)	**402**
Reversal of items relating to retirement benefits debited or credited to the Surplus or Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement	447	**637**
Employer's pensions contributions and direct payments to pensioners payable in the year	(573)	**(536)**
Other	269	**-**
Closing balance	**-**	**-**

Accumulated absences

The Accumulated Absences Account absorbs the differences that would otherwise arise on the General Fund balance from accruing for compensated absences earned but not taken in the year, e.g. annual leave entitlement carried forward at 31 March. Statutory arrangements require that the impact on the General Fund balance is neutralised by transfers to or from the account. As there was no settlement or cancellation of accrual made at the end of the preceding year, amounts accrued in this year are the same as the amount by which officer remuneration is charged to the Comprehensive Income and Expenditure Statement on an accrual basis. A further breakdown within pension reserves is shown in the table below.

	31 March 2026	31 March 2025
	£000	**£000**
Opening balance	181	**188**
Settlement or cancellation of accrual made at the end of the preceding year	(181)	**(188)**
Amounts accrued at the end of the current year	224	**181**
Amount by which officer remuneration charged to the Comprehensive Income and Expenditure Statement on an accruals basis is different from remuneration chargeable in year in accordance with statutory requirements	-	**-**
Closing balance	**224**	181

Capital adjustment account

The Capital Adjustment Account absorbs the timing differences arising from the different arrangements for the consumption of non-current assets and for financing the acquisition, construction or enhancement elements of those assets under statutory provisions. The account is debited with the cost of acquisition, construction or enhancement as depreciation, fair value movements and amortisations are charged to the Comprehensive Income and Expenditure Statement. The account is credited with the amounts set aside by the Corporation for the costs of acquisition, construction and enhancement.

	31 March 2026	31 March 2025
	£000	**£000**
Opening balance	(35,829)	**(21,670)**
Reversal of items relating to capital expenditure debited or credited to the Comprehensive Income and Expenditure Statement:		
Movement in the Fair Value of Investments	25,393	**32,790**
Revenue expenditure funded from capital under statute (REFCUS)	-	**-**
Dividends received from subsidiary	-	**1,100**
Capital financing applied in the year:		
Other capital adjustment movements	(9,468)	**(43,755)**
Capital expenditure funded from revenue	-	**(9)**
Application of grants to capital financing from the capital grants unapplied account	-	**(4,285)**
Closing balance	**(19,904)**	(35,829)

18. Related party transactions

The Corporation is required to disclose material transactions with related parties – bodies or individuals that have the potential to control or influence the Corporation or to be controlled or influenced by the Corporation. Disclosure of these transactions allows readers to assess the extent to which the Corporation might have been constrained in its ability to operate independently or might have secured the ability to limit another party's ability to bargain freely with the Corporation.

The related parties to the Corporation are:

- central government;
- other public bodies (including the Greater London Authority and other local authorities);
- the subsidiaries acquired in the year; and
- its Members and Executive Management Team.

Central government and other public bodies – income and expenditure

All relationships were as delivery partners to the Corporation and significant transactions for the year ended 31 March 2026 were as follows:

	31 March 2026	31 March 2025
	£000	**£000**
Income		
Greater London Authority	(20,108)	(12,838)
Department for Levelling Up, Housing and Communities	(2,281)	(43,765)
Functional Bodies, Central and Local Government	-	(1,008)
Subsidiaries	-	(382)
Expenditure		
Local Government	-	252
Greater London Authority	260	217
Functional Bodies of the GLA	1,314	906
Subsidiaries	-	201

Central government and other public bodies – debtors and creditors

	31 March 2026 £000	31 March 2025 £000
Debtors		
Greater London Authority	23	-
Functional Bodies, Central and Local Government	623	8
Subsidiaries	23,758	18,106
Creditors		
Local Government	(196)	(15)
Greater London Authority	(207,347)	(97,799)
Functional Bodies of the GLA	(656)	(469)
Public Corporations	(1)	-
Central Government	(36,943)	-

Grants and funding received from the GLA is detailed in note 6.
Year-end outstanding balances are detailed in notes 12 and 13.

Members and executive management team – income and expenditure

Members of the Corporation have direct control over the Corporation's financial and operating policies. The total of members' allowances paid in the year is shown in note 4. Members and the Executive Management Team were required to complete a declaration regarding any related party transactions with the Corporation. There were no disclosures by Members or the Executive Management Team in the year under the related party transactions declaration.

19. Capital expenditure and financing

	31 March 2026 £000	31 March 2025 £000
Opening capital finance requirement	**(97,842)**	**42,656**
Capital investment		
Plant, property and equipment (assets under construction)	-	-
Investment properties	80,889	34,418
Investment in subsidiaries	62,939	52,837
Total capital spending	**143,828**	**87,255**
Sources of finance		
Government grants and contributions	-	(44,232)
Total sources of finance	**-**	**(44,232)**
Closing capital finance requirement	**45,986**	**85,679**

20. Grants

	31 March 2026 £000	31 March 2025 £000
Capital grants receipts in advance - long term liabilities		
S106 grant	(58,545)	(17,806)
Total	**(58,545)**	**(17,806)**
***Capital grants receipts in advance - short term liabilities**		
Capital grant	-	-
Total	-	-
***Revenue grants receipts in advance - short term liabilities**		
Functional bodies contributions	-	(100)
Other government grants	-	-
Total	**-**	**(100)**
Grants credited to services		
Functional bodies contributions	(19,935)	(9,417)
Other government grants	-	(1,929)
Total	**(19,935)**	**(11,346)**
Grant income credited to taxation and non-specific grant income and expenditure		
S106 grant	(6,641)	(477)
Capital grant	-	(43,755)
Total	**(6,641)**	**(44,232)**

*Capital and revenue grants receipts in advance - short term liabilities add up to the receipts in advance current account in the balance sheet.

21. Group Cash and cash equivalents

Cash is represented by cash in hand and deposits with the Greater London Authority (GLA) repayable without penalty on notice of not more than 24 hours.

	2025-26 £000	2024-25 £000
Balance at 1 April	30,727	56,590
Net change in cash and cash equivalents	41,652	(25,863)
Balance at 31 March	72,379	**30,727**
The balances at 31 March were represented by:		
Bank current accounts	2,912	1,259
Other deposits	69,467	29,468
Total	**72,379**	**30,727**

22. Corporation Cash and cash equivalents

Cash is represented by cash in hand and deposits with the Greater London Authority (GLA) repayable without penalty on notice of not more than 24 hours.

	2025-26	2024-25
	£000	£000
Balance at 1 April	29,158	55,179
Net change in cash and cash equivalents	42,827	(26,021)
Balance at 31 March	71,985	**29,158**
The balances at 31 March were represented by:		
Bank current accounts	2,912	(32)
Other deposits	69,073	29,190
Total	**71,985**	**29,158**

23. Contingent assets - contingent receivable

No contingent assets have been recognised at 31 March 2026. Management has not identified material post-year-end receivables or unresolved contingent assets requiring recognition.

24. Financial instruments

23a. Categories of financial instruments

The following categories of financial instruments are carried in the Statement of Financial Position. The Corporation disclosure is shown first because it includes intercompany loans and investments in subsidiaries. A Group disclosure is shown separately below and excludes balances eliminated on consolidation.

	2025-26	2024-25
	£000	£000
Financial assets		
Non-current		
Financial assets at amortised cost – soft loans	41	237
Financial assets at amortised cost – intercompany loans	22,499	18,595
Investment in subsidiaries	95,426	66,930
Net cash and cash equivalents	71,985	29,158
Total financial assets	**189,952**	**114,920**
Financial liabilities		
Non-current		
Financial liabilities at amortised cost	**(204,656)**	**(97,842)**
Total financial liabilities	**(204,656)**	**(97,842)**

Group financial instruments (post-consolidation – excludes intercompany loans and investments in subsidiaries)

Financial instruments are defined as contracts that give rise to a financial asset of one entity and a financial liability or equity of another. The figures included in the Balance Sheet are adjusted to exclude items that are deemed exempt. This includes but is not limited to accruals, prepayments, receipts in The Corporation's financial instruments disclosed in the first table are monitored internally and reported to senior management. The Group table excludes intercompany loans and investments in subsidiaries, because these are eliminated on consolidation. OPDC does not hold derivative instruments or foreign currency exposures.

23b. Soft loans made by the Corporation

A soft loan is a loan at less than market rates. The Authority has made the following soft loans to support small businesses:

	2025-26 £000	2024-25 £000
Free Bird Films Ltd	167	34
Fashtag Ltd	13	3
Bio Blast Studios	44	50
Park Royal Open Works (POW)	136	149
Nominal value at 31 March	360	237

The movement on the soft loans are as follows:

	2025-26 £000	2024-25 £000
Opening balance at 1 April	237	48
Nominal value of new loans granted in year	163	203
Loans repaid	(41)	(14)
Closing balance at 31 March	360	2G37
Nominal value at 31 March	360	237

Valuation assumptions

Given the immaterial impact, no discounting has been applied and the nominal value is used as the carrying value.

23c. Income, Expense and Gains and Losses

2025-26

	Financial Liabilities measured at amortised cost	Financial Assets measured at amortised costs	Financial Assets at FVTPL	Total
	£000	£000	£000	£000
Interest expense	5,981	-	-	5,981
Finance lease interest	(83)	-	-	(83)
(Increase)/decrease in fair value	-	-	-	-
Total expense in (Surplus) or Deficit on the Provision of Services	**5,898**	**-**	**-**	**5,898**
Interest income	-	(1,273)	-	(1,273)
Dividend income	-	-	(2,370)	(2,370)
(Increase)/decrease in fair value	-	-	-	-
Total income in (Surplus) or Deficit on the Provision of Services	**-**	**(1,273)**	**(2,370)**	**(3,643)**
Net (gain)/loss for the year	**5,898**	**(1,273)**	**(2,370)**	**2,255**

2024-25

	Financial Liabilities measured at amortised cost	Financial Assets measured at amortised costs	Financial Assets at FVTPL	Total
	£000	£000	£000	£000
Interest expense	1,628	-	-	1,628
Finance lease interest	30	-	-	30
(Increase)/decrease in fair value	-	-	14,998	14,998
Total expense in (Surplus) or Deficit on the Provision of Services	**1,658**	**-**	**14,998**	**16,656**
Interest income	(1,433)	(505)	-	(1,938)
Dividend income	-	(1,100)	-	(1,100)
Increase)/decrease in fair value	-	-	-	-
Total income in (Surplus) or Deficit on the Provision of Services	**(1,433)**	**(1,605)**	**-**	**(3,038)**
Net (gain)/loss for the year	**225**	**(1,605)**	**14,998**	**13,618**

Fair values of assets and liabilities

Financial assets and financial liabilities represented by financial assets at amortised cost and long-term creditors are carried in the Balance Sheet at amortised cost. Under the Code, OPDC is required to disclose information comparing the fair values and carrying values for those financial instruments whose carrying value is not a reasonable approximation for fair value. The following table gives this information:

	2025-26 Carrying amount	2025-26 Fair value	2024-25 Carrying amount	2024-25 Fair value
	£000	£000	£000	£000
Financial assets				
Financial assets at amortised cost – intercompany loans	22,499	22,499	18,595	18,595
Financial assets at amortised cost – soft loans	41	41	237	237
Investment in subsidiaries	95,426	95,426	66,930	66,930
Cash and cash equivalents	71,985	71,985	29,158	29,158
Total financial assets	**189,952**	**189,952**	**114,920**	**114,920**
Financial liabilities				
Borrowings	(204,656)	(189,376)	(97,842)	(97,601)
Total financial liabilities	**(204,656)**	**(189,376)**	**(97,842)**	**(97,601)**

Where an instrument will mature in the next 12 months, the carrying amount is assumed to approximate to fair value. Hence, short term debtors and creditors are carried at cost as this is a fair approximation of their value (Fair Value Level 2).

Borrowings consist entirely of capital loan funding provided by the Greater London Authority. In accordance with IFRS 9, financial liabilities are measured at amortised cost unless they are required to be measured at fair value through profit or loss. OPDC's loans are not traded in an active market and are not subject to external valuation.

OPDC's borrowings consist of capital loan funding provided by the Greater London Authority. The carrying value was £204.7m at 31 March 2026 (2024-25: £97.8m). The fair value disclosure should be read alongside the GLA funding arrangements and the Corporation's statutory framework.

OPDC has reviewed its financial instruments for impairment in line with IFRS 9. No material expected credit loss has been recognised at 31 March 2026.

Nature and extent of risks arising from financial instruments

OPDC's activities expose it to a variety of financial risks, primarily:

- Treasury management risk – the risk of cash deposits not actually being secure or earning appropriate interest
- Credit risk – the possibility other parties might fail to pay amounts due to OPDC
- Liquidity risk – the possibility that OPDC may not have the funds available to meet its commitments to make payments as they arise
- Market risk – the possibility that financial loss might arise as a result of changes in interest rates

Treasury Management Risk

OPDC's treasury management activities are governed by the principles of prudence, security, and liquidity. The primary objectives are to ensure the affordability of borrowings, preserve the capital value of investments, and maintain sufficient liquidity to meet operational requirements.

Given the nature of OPDC's funding model, treasury operations are currently focused on the management of short-term cash balances. Investment decisions prioritise the security of capital, followed by liquidity and yield, in that order. All financial instruments are assessed in accordance with IFRS 9, with a focus on minimising exposure to credit, market, and liquidity risks.

OPDC does not engage in complex financial instruments and does not expect to incur losses on its current investment holdings.

Credit Risk

Credit risk is the risk that counterparties to financial instruments may fail to meet their contractual obligations, resulting in a financial loss to OPDC. This risk arises primarily from deposits with financial institutions, trade receivables, and loans issued to subsidiaries and third parties.

OPDC manages credit risk by investing only with institutions that meet approved creditworthiness criteria and by monitoring the financial position of counterparties. For trade receivables, OPDC applies the simplified approach under IFRS 9, recognising lifetime expected credit losses. At the reporting date, there was no evidence of material credit deterioration in trade receivables, and no impairment losses have been recognised.

OPDC has issued interest-bearing loans to its subsidiary undertakings in the Corporation-only accounts. These loans are eliminated in the Group accounts and are assessed for expected credit losses at initial recognition and subsequently monitored in accordance with IFRS 9.

In addition, OPDC has issued interest-free soft loans to small businesses. These are also assessed for expected credit losses at initial recognition. Given their immaterial value and low credit risk, no expected credit loss was recognised either at initial recognition or subsequently. At 31 March 2026, the credit risk associated with these loans remained low.

OPDC considers its financial assets to be low credit risk based on internal monitoring, the nature of counterparties, and the absence of any indicators of financial distress. All financial assets held at 31 March 2026 were either not yet contractually due or subject to long-term repayment terms. Accordingly, OPDC has not identified any assets as past due, and no rebuttal of the presumption of significant increase in credit risk was required.

OPDC considers default to have occurred when there is objective evidence that a counterparty is experiencing financial difficulty which is likely to affect its ability to meet contractual obligations. This may include missed payments, breach of covenants, or other indicators of financial stress. As at the reporting date, no financial assets were in default.

No contractual modifications were made to financial assets during the year. Intercompany loans are monitored for recoverability and are considered low risk. No loss allowances have been remeasured from lifetime to 12-month expected credit losses, as no indicators of credit deterioration were identified.

Forward-looking information, including macro-economic factors, was considered in the assessment of expected credit losses. Given the immaterial value of financial assets (soft loans) and the stable operating environment, no adjustments were made for macro-economic factors in the current year.

At 31 March 2026, financial assets measured at amortised cost comprised £41k in soft loans to small businesses and £23,238k in intercompany loan receivables. OPDC assessed that the credit risk associated with these financial assets remained low throughout the year. No expected credit losses were recognised at initial recognition or subsequently (2025: £nil). The lifetime ECL provision for both soft loans and intercompany receivables is £nil, reflecting low counterparty risk. Overall, OPDC considers the credit risk associated with its financial assets to be low, and no material losses are expected.

Liquidity Risk

Liquidity risk is the risk that OPDC may be unable to meet its financial obligations as they fall due. OPDC manages this risk by maintaining a prudent approach to cash flow planning and ensuring that sufficient liquidity is available to meet both expected and unforeseen demands.

Cash flow forecasts are regularly prepared and submitted to the GLA to inform the timing and amount of cash drawdowns. An arrangement is also in place with the GLA to allow for emergency cash drawdowns within 24 hours, should the need arise. In addition, OPDC maintains an appropriate balance of cash with its banking provider to support day-to-day operational requirements.

While OPDC is permitted to borrow within prescribed limits where it is considered prudent, direct borrowing from third parties for capital expenditure is not currently authorised. OPDC may also lend to its subsidiaries, subject to approval from the Mayor of London.

Interest is payable on borrowings from the GLA. Although the applicable interest rate may vary, the GLA provides grant funding to meet the annual interest liability, ensuring that OPDC is not exposed to interest rate risk in respect of these borrowings.

The maturity analysis of financial liabilities is as follows:

	2025-26	2024-25
	£000	**£000**
Borrowings		
Less than one year	-	-
Between one and two years	-	-
Between two and five years	-	-
Between five and ten years	(204,656)	(97,842)
More than ten years	-	-
Total	**(204,656)**	**(97,842)**

Market Risk

Market risk is the risk that changes in market variables, such as interest rates, foreign exchange rates, or other financial market prices, could adversely affect OPDC's financial position. OPDC's exposure to market risk is limited, as it does not engage in trading or hold complex financial instruments.

The principal element of market risk relevant to OPDC is interest rate risk, which arises from borrowings from the GLA. While the interest rates on these borrowings may be subject to periodic review, the GLA provides grant funding to meet the annual interest liability. As a result, OPDC is not exposed to fluctuations in interest rates in a way that would result in a direct financial loss.

OPDC does not have exposure to foreign currency risk or other forms of price risk, as all financial transactions are conducted in pounds sterling and investments are held in low-risk, short-term instruments.

Given the nature of its operations and funding arrangements, OPDC considers its overall exposure to market risk to be low. As OPDC does not hold any financial instruments subject to significant market risk, and interest rate exposure is mitigated by grant funding from the GLA, no sensitivity analysis has been prepared. Any reasonably possible changes in market variables would not have a material impact on OPDC's financial position or performance.

25. Adjustments between Accounting Basis and Funding Basis under Regulations

This note details the adjustments that are made to the total Comprehensive Income and Expenditure Statement recognised in the year in accordance with proper accounting practice to the resources that are specified by statutory provisions as being available to OPDC to meet capital and revenue expenditure.

2025–26 (still to update as per excel)

	General Fund Balance	Capital Grants Unapplied	Unusable Reserves
	£000	£000	£000
Adjustments involving the Capital Adjustment Account:			
Reversal of items relating to capital expenditure debited or credited to the Comprehensive Income and Expenditure Statement			
Movements in the Fair Value of Investments	(25,393)	-	(25,393)
Revenue expenditure funded from capital under statute	-	-	-
Dividends from subsidiary	-	-	-
Capital expenditure funded from revenue	-	-	-
Adjustments involving the Capital Grants Unapplied Account (CGU)	23,339		23,339
Net movement in capital grants unapplied	-	6,773	(6,773)
Other statutory and funding-basis adjustments	(6,185)	-	(328)
Adjustments involving the Pension Reserve			

Reversal of items relating to retirement benefits debited or credited to the Surplus or Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement	(143)	-	(143)
Employer's pensions contributions and direct payments to pensioners payable in the year	-	-	-
Adjustments involving the Accumulated Absences Adjustment Account			
Amount by which officer remuneration charged to the Comprehensive Income and Expenditure Statement on an accruals basis is different from remuneration chargeable in year in accordance with statutory requirements	(42,437)	-	(42,437)
Total adjustments	(50,819)	6,773	(51,735)

2024–25

	General Fund Balance	Capital Grants Unapplied	Unusable Reserves
	£000	**£000**	**£000**
Adjustments involving the Capital Adjustment Account:			
Reversal of items relating to capital expenditure debited or credited to the Comprehensive Income and Expenditure Statement			
Movements in the Fair Value of Investments	(32,790)	-	(32,790)
Revenue expenditure funded from capital under statute	-	-	-
Dividends from subsidiary	(1,100)	-	(1,100)
Capital expenditure funded from revenue	9	-	9
Adjustments involving the Capital Grants Unapplied Account (CGU)			
Capital grants and contributions unapplied credited to the Comprehensive Income and Expenditure Statement	43,755	-	43,755
Application of grants to capital financing from the grants unapplied account	-	4,285	4,285
Adjustments involving the Pension Reserve			
Reversal of items relating to retirement benefits debited or credited to the Surplus or Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement	536	-	536
Employer's pensions contributions and direct payments to pensioners payable in the year	(637)	-	(637)
Adjustments involving the Accumulated Absences Adjustment Account			
Amount by which officer remuneration charged to the Comprehensive Income and Expenditure Statement on an accruals basis is different from remuneration chargeable in year in accordance with statutory requirement	7	-	7
Total adjustments	**9,780**	**4,285**	**14,065**

26. Events after the reporting period

On 7 May 2026 OPDC received a further instalment of £15.9m from DESNZ for the Heat Network project.

Annual Governance Statement

OPDC's governance responsibilities and framework

Governance

OPDC is a functional body of the Mayor of London, operating within the legislative and governance framework provided by the Greater London Authority (GLA) Acts of 1999 and 2007. The Mayor of London appoints members to OPDC's Board, allocates its budget and may direct or delegate powers to the Corporation in the exercise of its functions.
OPDC is responsible for conducting its business in accordance with the law and proper standards; safeguarding and properly accounting for public money; and ensuring the economic, efficient and effective use of resources. As part of these responsibilities, OPDC must publish an Annual Governance Statement (AGS) setting out how it has discharged these duties over the previous financial year.

Governance Framework

OPDC's governance framework follows the principles set out in the Chartered Institute of Public Finance and Accountancy (CIPFA) and SOLACE guidance, *Delivering Good Governance in Local Government (2016).* This AGS has been prepared with direct reference to those principles.

The governance arrangements describe the systems, processes, cultures and values through which OPDC is directed and controlled and the mechanisms through which it is held accountable to stakeholders and local communities. The framework ensures:

- Resources are directed in line with strategic priorities and approved policies
- Decision making is sound, transparent and inclusive
- There is clear accountability for achieving sustainable outcomes and demonstrating value for money.

System of Internal Control

The system of internal control forms a key part of the governance framework and is designed to manage risk effectively. While it cannot eliminate all risk of failure to achieve policies, aims and objectives, it provides reasonable, not absolute, assurance of effectiveness.
The internal control system is based on a continuous process designed to identify and prioritise risks, evaluate the likelihood and potential impacts of those risks being realised and to mitigate and manage them effectively and economically.

Annual Governance Statement

The governance framework described in this statement has been in place at OPDC throughout the year ended 31 March 2026 and up to the date of approval of the 2025-26 Statement of Accounts. A draft version of the AGS will be published on 30 June 2026 and will be updated, if required, to reflect any changes arising from the final audited accounts.

Board and Committees

OPDC's Board and Committees operate within the governance and openness framework prescribed by the Local Government Act 1972, which includes requirements relating to public meetings and rights of attendance by the press and public. OPDC holds its Board and Committee meetings in public, except when confidential, personal or commercially sensitive matters are classified as 'exempt information', under the Act and are being considered. Such items are clearly marked on published agendas.

OPDC's Scheme of Delegation enables urgent decisions to be taken by the Chair of the Board, the Chairs of relevant Committees or the Chief Executive in specific circumstances. Where a matter is urgent or not practicable to (i) convene an urgent meeting of the Board or the appropriate Committee, or (ii) utilise OPDC's Remote Decision-Making Procedures, decisions may be taken using the Chair's Urgent Action protocol. All such decisions are formally recorded and reported to the Board for transparency.

During the year ended 31 March 2026, OPDC's committee structure was as follows:

<u>Board</u>

Responsible for ensuring the efficient and effective discharge of OPDC's statutory functions, including the oversight and advocacy of regeneration, business and community engagement, environmental sustainability, housing and transport programmes. The Board takes decisions in accordance with the law, its Standing Orders and, where applicable, the Scheme of Delegation. The Board monitors and advocates the delivery of OPDC's strategic objectives and delivery programme.

<u>Audit and Risk Committee</u>

Ensures the efficient and effective discharge of OPDC's functions through robust oversight of the Corporation's financial administration and governance arrangements. Its remit includes scrutiny of financial management, value for money, preparation and audit of the annual accounts, the effectiveness of internal controls and the performance of both internal and external audit functions.

<u>Planning Committee</u>

Ensures the transparent, efficient and effective discharge of OPDC's statutory planning functions. This includes determining planning applications within the OPDC area and responding to planning consultations where OPDC is a consultee. The Committee supports consistent, accountable and high-quality planning decision-making within the Old Oak and Park Royal Area.

<u>Development, Investment and Sustainability Committee</u>

Provides oversight and decision-making to support the transparent, efficient and effective delivery of OPDC's development, regeneration and investment programmes. The Committee is responsible for monitoring progress on major projects and is authorised to approve land and property acquisitions up to a delegated limit of £20 million.

Governance and Nominations Committee

Provides advice to the Board on corporate governance, succession planning, strategic organisational development and other matters referred by the Board, particularly those relating to resources and remuneration.

Membership

Committee membership is restricted to Board members unless the Mayor of London has approved the appointment of additional members. This applies to the Planning Committee, which comprises one Board member, five elected councillors from the London Boroughs of Ealing, Brent and Hammersmith & Fulham, and four independent members appointed following open advertisement.
In August 2025, the Mayor approved the appointment of four new Board Members following an open recruitment process, strengthening the Board's skills and experience. The new appointments were:

- Eleanor Young, appointed in September to the Board and Planning Committee.
- Alexander Jan, appointed in December to the Board, Audit and Risk Committee and Development, Investment and Sustainability Committee.
- Shahi Islam, appointed in December to the Board and Development, Investment and Sustainability Committee
- Sarah McCready, appointed in December to the Board, Governance and Nominations Committee and Residents' Panel.

Victoria Quinlan's term was due to end on 30 November 2025 but was extended to 30 November 2026 in order to ensure continuity during a critical phase of OPDC's work, while the Mayor also approved a four-year extension for Jon Milward and Aman Dalvi to March 2030, retaining them in their respective roles as Chair for the Development, Investment and Sustainability Committee and Chair of the Audit and Risk Committee.

William Hill's term as a Board member concluded on 30 November 2025. In March 2025, he was approved by the Mayor of London and the Board to continue as Chair of the Planning Committee in an independent capacity from 1 December 2025. Following Eleanor Young's appointment to the Board in September 2025, she now serves as the Board member on the Planning Committee. In September 2025, the Board approved the appointment of Hannah David as the new independent Planning Committee Member.

These changes ensured that the Board retained a strong mix of skills, stability and organisational knowledge, with recruitment undertaken through an open and transparent process and made with Mayoral approval.

Following the decision of David Lunts to step down as Chief Executive Officer, OPDC undertook an open and competitive recruitment campaign. Matthew Carpen was appointed as OPDC's new Chief Executive Officer, with Mayoral approval in April 2025, and took up the role on 6 October 2025, stepping down from his Board Member and Development, Investment and Sustainability roles in September 2025.

Following the 2026 borough elections, OPDC worked with the three boroughs to review and update councillor representation on its committees. This included the reappointment of

existing councillors where appropriate and the nomination of new members to the Planning Committee.
Attendance at Board and Committee meetings from 1 April 2025 to 31 March 2026 by members is shown below:

	Board Meetings	Audit and Risk Committee	Planning Committee	Development, Investment and Sustainability Committee	Governance and Nominations Committee
Total number of meetings in the Period	4	5	9	4	1
	Attendance	**Attendance**	**Attendance**	**Attendance**	**Attendance**
Dame Karen Buck	4	-	-	4	1
Alexander Jan[1]	1	2	-	2	-
Aman Dalvi	3	5	-	-	(1) 2
Eleanor Young[3]	2	-	6	-	-
Jon Milward	3	-	-	4	1
Jules Pipe CBE	2	-	-	-	-
Matthew Carpen [4]	2	-	-	-	-
Cllr Muhammed Butt	2	4	-		-
Cllr Peter Mason	3		-	(2)	-
Sarah McCready[5]	1		-	-	-
Shahi Islam[6]	1		-	2	-
Shevaughn Rieck	4	5	-	-	-
Cllr Stephen Cowan	2	-	-	-	0
Victoria Quinlan	2	-	-	4	-
Wilda Haddad	4	3	-	-	1
William Hill[7]	3	-	9	-	-
Anne Ogundiya	-	-	8	-	-
Gary Rice[8]	-	-	2	-	-
Hannah David[9]	-	-	6	-	-
Cllr Katherine Crawford[10]	-	-	1	-	-
Cllr Matthew Kelcher	-	-	8	-	-

[1] Alexander Jan became a member of the Board, Audit and Risk Committee and the Development, Investment and Sustainability Committee in December 2025.
[2] Figures in brackets is remote attendance at an in-person meeting, noting that remote attendees at an in-person meeting do not count towards the quorum.
[3] Eleanor Young became a member of the Board and Planning Committee in September 2025
[4] Matt Carpen became Chief Executive Officer at OPDC in October 2025 and his role as a Board member and Development, Investment and Sustainability Committee member ended at the end of September 2025.
[5] Sarah McCready became a member of the Governance and Nominations Committee in December 2025.
[6] Shahi Islam became a member of the Development, Investment and Sustainability Committee in December 2025.
[7] William Hill's term as a Board member ended on 30 November 2025, he was appointed as the independent Chair of the Planning Committee from the 1 December 2025.
[8] Gary Rice term as a Planning Committee member ended in August 2025.
[9] Hannah David became an independent member of the Planning Committee in September 2025.
[10] Cllr Katherine Crawford stepped down as a member of the Planning Committee in May 2026.

Cllr Natalia Perez	-	-	8	-	-
Cllr Praveen Anand	-	-	9	-	-
Sarah Coutts[1]	-	-	7	-	-
Steve Quartermain[2]	-	-	3	-	-
Cllr Wesley Harcourt	-	-	9	-	-
Cllr Yvonne Johnson[3]	-	-	6	-	-

Vision and Performance

In June 2024, OPDC adopted a two-year Corporate Strategy setting out its high-level vision, mission, goals and values, alongside a strategic approach based on three key pillars: Delivery, Community and Innovation. These pillars are supported by core functions, including finance, governance and HR, ensuring the organisation operates efficiently, transparently and equitably.

Performance against strategic measures and milestones is overseen through a robust corporate performance and financial reporting framework, underpinned by quarterly reporting. Ahead of each quarterly report, OPDC undertakes internal performance challenge sessions with the Chief Executive Officer (CEO) and Executive Director of Corporate Operations/Chief Finance Officer (CFO), providing an additional layer of scrutiny across delivery, performance and risk.

Each quarter, OPDC prepares a performance report covering progress against the pillars and pledges, financial performance and strategic risks. These reports are reviewed by the Executive Team, the Audit and Risk Committee and the Board, and are published on the OPDC website. They are also considered at the Greater London Authority (GLA) - OPDC Finance and Policy Liaison meeting.

OPDC has one internal programme board that supports its business planning and performance management. The Delivery Programme Board supports the coordination, review and monitoring of projects, programmes and workstreams within the Delivery Directorate.

During the 2025-26 financial year, OPDC undertook a review of its corporate reporting approach. Following this, the reporting format was refreshed, including the introduction of infographics to present performance clearly at a glance.

The revised reporting format was considered and endorsed by the Executive Team (formerly known as the Senior Management Team) and the Mayor's Office and a copy was submitted to the London Assembly in August 2025. The updated format was subsequently presented to the Audit and Risk Committee in September 2025 as part of the Quarter One performance report. Feedback from the Committee was incorporated into the Quarter Two iteration to support continuous improvement and enhance transparency.

[1] Sarah Coutts stepped down as a member of the Planning Committee on 31 March 2026.
[2] Steve Quartermain term as a Planning Committee member ended in August 2025.
[3] Cllr Yvonne Johnson became a member of the Planning Committee in June 2025.

Key governance documents

OPDC maintains a suite of governance documents that together form the organisation's governance framework and support effective decision-making, internal control, financial management and ethical conduct. These documents were in place throughout 2025-26 and were regularly reviewed and updated as needed (see below). They are available on OPDC's governance documents webpage here.

OPDC's key governance documents are:

- Standing Orders, setting out arrangements for the conduct of meetings, recording decisions and managing conflicts of interest.
- Code of Conduct for Members, defining expected standards of behaviour for Board, committee and sub-committee members.
- Scheme of Delegation, setting out arrangements for the delegation of decisions to committees and officers.
- Scheme of Planning Delegation, setting out arrangements for discharging planning responsibilities through delegation to the Planning Committee and planning officers.
- Financial Regulations, setting out the framework for managing OPDC's financial affairs.
- Contracts and Funding Code, governing procurement, contracts and grant funding arrangements.
- Anti-Fraud and Corruption Policy, setting out responsibilities and measures to prevent and manage fraud risk.
- Records Management Policy, defining standards for information management and retention.
- Separation of Functions Protocol, ensuring appropriate separation of planning powers and commercial development functions.

Following reviews, a number of governance documents were updated during 2025-26 to ensure ongoing compliance with legislative requirements, strengthen internal control and reflect recommendations from assurance activity.

The Standing Orders were presented to the Audit and Risk Committee (ARC) in June and to the Board in July 2025. Updates reflected current job titles, incorporated recommendations from the Board Effectiveness Review and strengthened oversight of risk management, governance and internal control, including the introduction of role descriptions for the Chair, Deputy Chair, Committee Chairs and Board Members.

The Scheme of Delegation underwent its annual review in September 2025 and remained fit for purpose, with no changes required following the comprehensive update completed in 2024.

The Contracts and Funding Code was presented to ARC in June and to the Board in July 2025. Updates reflected the Procurement Act 2023 (effective 24 February 2025), revised financial thresholds and clearer guidance on grant funding and subsidy control processes.
The Records Management Policy was presented to ARC in June 2025 following an advisory internal audit, with updates incorporating best practice guidance from the GLA.

The Code of Conduct for Members was presented to ARC in June and to the Board in July 2025. Updates incorporated revised definitions of the Nolan Principles and strengthened expectations around managing actual or potential conflicts of interest.

The Gifts and Hospitality Policy was presented to ARC in June 2025. Updates introduced a declaration process for Board and Committee members and ensured alignment with the revised Code of Conduct for Members.

Amendments to the Anti-Fraud and Corruption Policy were approved by the Head of Governance on 20 May 2025 under delegated authority. These updates clarified roles and responsibilities and reflected changes to responsible officers.

The Financial Regulations were considered by ARC and the Board in September 2025, including updates to delegation levels within the Scheme of Delegation.

The Expenses and Benefits Framework was reviewed by ARC in January 2026, with amendments to terminology, remuneration costs, job titles and approval processes. Further refinements requested by ARC members were incorporated before Board approval in March 2026.

Updates made across the governance framework during 2025-26 have strengthened OPDC's governance arrangements, supported compliance with legislative requirements and ensured that decision-making structures and controls remained appropriate for the organisation.

Decision-making

All significant decisions are subject to a rigorous and transparent process, supported by formal decision forms that set out evidence and include legal, finance and governance advice. To ensure consistency and quality across the organisation, staff use standardised templates with accompanying guidance and a clear route to approval. As part of the strengthened framework, the Executive Team has the opportunity to review all decisions prior to approval, providing an additional layer of oversight and challenge.

An internal review of the decision-making process was completed in January 2026. Following this review, the decision forms were updated to be clearer, more concise and more focused on the core decision, with improved prompts to help drafting officers capture all key considerations.

Information governance

OPDC has strong arrangements in place to promote good information governance across its services and it has a shared service agreement with the Greater London Authority (GLA) and Transport for London (TfL). This includes a general shared service agreement for support services, including information governance and freedom of information, with OPDC adhering to the GLA's and TfL's policies and procedures.

Risk management, fraud and corruption

OPDC's risk management processes are based on embedding risk identification and mitigation across all work programmes, ensuring that programme and project risks are identified, assessed, mitigated and monitored effectively.

Strategic risks are reported by each Directorate through the quarterly reporting process and discussed with the Chief Executive Officer and Executive Director of Corporate Operations/Chief Finance Officer. This provides an integrated approach to risk management and ensures that Directorate level strategic risks are captured in quarterly reports and reviewed at the Audit and Risk Committee and the Board, as well as shared with the GLA through regular liaison meetings.

OPDC's updated Risk Management Framework (RMF) was presented to the Audit and Risk Committee in November 2025, alongside a detailed manual to support staff in understanding and managing risks and opportunities as an integral part of organisational activity.

At the Board Strategy Day in January 2026, one of the areas considered by the Board members was OPDC's risk profile across the full range of its activity. In light of the discussion, a Risk Appetite Statement has been drafted and was presented to the Board for consideration and approval in June 2026. Following approval, work will continue to embed effective risk management practices across the organisation and to ensure risk is effectively captured in future reporting.

OPDC maintains an Anti-Fraud and Corruption Policy, which sets out clear expectations, responsibilities and reporting routes for staff. The policy was updated in May 2025 to reflect changes in responsible officers and strengthen clarity around roles and responsibilities. Fraud and corruption controls form part of OPDC's wider internal control environment and are subject to oversight through internal audit and Directorate assurance statements.

Overall, OPDC's risk management, fraud and corruption arrangements operated effectively during 2025-26, no OPDC employees raised any issues under the Anti-Fraud and Corruption Policy.

Systems

In January 2026, all OPDC staff were migrated onto Transport for London's (TfL) infrastructure, as a part of a larger programme of consolidation of IT resources across the GLA Group.

The migration was completed successfully and has delivered enhanced functionality and collaboration, enabling better communication and information sharing with the GLA.
Preliminary work has begun on an upgrade of the SAP Finance system, which will deliver improved functionality and enable OPDC to adopt more efficient structures and processing than those used on the legacy system. This work is expected to continue into 2026-27.

Equity, Diversity and Inclusion

OPDC is committed to supporting an equitable, diverse and inclusive organisation, with leadership setting a clear tone from the top. This commitment goes beyond statutory requirements under the Public Sector Equality Act (Equality Duty 2010) and is embedded across organisational culture, decision-making and service delivery.

Delivery of OPDC's Equity, Diversity and Inclusion (EDI) Strategy, approved in March 2022, continued during 2025-26. Progress was reported through the 'Inclusive Insights Annual Report' which was presented to the Board in June 2026, highlighting progress in data quality, staff engagement, inclusive behaviours and the embedding of EDI considerations into project and policy development.

During the year, OPDC strengthened its organisational culture and external impact. Key achievements included maintaining membership of Stonewall's Proud Employers Programme, achieving Disability Confident Level 2 (Disability Confident Employer) status and joining the Business Disability Forum.

Transparency remained a priority, with the publication of the annual Pay Gap Report showing a 0.0 per cent median gender pay gap and progress in reducing the ethnicity pay gap. An internal campaign was also launched to improve the completeness of workforce diversity data.
Employee Networks continue to play an important role in supporting inclusion and engagement, with activities marking LGBTQIA+ History Month, Pride Month, Black History Month and International Women's Day, alongside targeted training on disability inclusion and inclusive behaviours.

As a Local Planning Authority, OPDC further embedded inclusive design through its planning work, supported by the adoption of the Public Realm and Green Infrastructure Supplementary Planning Document (SPD). OPDC received two national planning awards in 2025, along with a regional award, for its innovative approach to inclusive public realm design, demonstrating leadership in ensuring spaces are accessible, welcoming and responsive to the needs of people with protected characteristics.

Modern Slavery Statement

OPDC's Modern Slavery Statement was approved by ARC in September 2025, setting out its approach to governance in relation to employment, supply chain, sourcing practices and environmental sustainability. The Modern Slavery Statement is published on the OPDC website and on the government database.

OPDC is also a member of TfL's Modern Slavery Delivery Group, a GLA Group-wide forum facilitating collaboration across the Functional Bodies with the principal aim of mitigating the risk of modern slavery in contractor and subcontractor supply chains.

Financial and legal controls compliance

OPDC's financial arrangements conform to the governance requirements of the CIPFA statement on the Role of the Chief Financial Officer in Local Government:

- The Chief Finance Officer of OPDC (designated under Section 127 of the Greater London Authority Act 1999) is Gurdip Juty, Executive Director of Corporate Operations and Chief Finance Officer and a member of the Association of Chartered Certified Accountants.

- The Chief Finance Officer is a member of the Executive Team and attends all Board and committee meetings, prepares the annual budget and corporate plan and management plan. The Chief Finance Officer leads internal review processes and is party to all material business decisions. All Board papers include financial implications and require finance sign-off in line with the thresholds set out in the OPDC Scheme of Delegation.
- The Chief Finance Officer is responsible for maintaining effective financial controls, overseeing corporate programme management and performance measurement, and supporting the work of the Audit and Risk Committee, including internal audit oversight.
- The Chief Finance Officer is supported by a suitably qualified team covering budget monitoring, financial management, taxation and governance, including a Head of Finance and Head of Governance. This has been further strengthened through additional technical accounting capacity to support the year-end process and enhance financial reporting resilience.

Compliance with relevant laws and regulations is supported through a shared service with TfL, which provides legal and procurement services. Legal advice is required for all significant decisions, and all contracts entered into by OPDC must be approved by TfL legal. Advice is sought on Request to Sign forms (RTS) where projects may be novel, contentious or repercussive.

Compliance with other legislation (for example, employment law) is supported through the policies, procedures and practices of the relevant OPDC teams. Policies are approved by the Executive Team following appropriate consultation and all are accessible to staff via the OPDC SharePoint site.

Although OPDC is not required to prepare a Section 25 statement, a self-assessment of our current capability against the CIPFA principles of good financial management has been prepared. In addition, OPDC has collaborated with GLA-led work through CIPFA to further assess leadership, management, budgeting and engagement, both in terms of process and performance.

Based on the above, the Chief Finance Officer confirms OPDC’s ongoing compliance with the CIPFA Financial Management Code and the Corporation’s commitment to maintaining robust financial and legal control arrangements.

Audit and Risk Committee, Internal Audit and External Audit

The Audit and Risk Committee (ARC) provides oversight of internal controls around risk management, finance and governance, raising the profile of assurance across OPDC. ARC reviews corporate performance, risk and finance reports, requests additional information on areas of concern and commissions internal auditors to undertake reviews of key risks. It also periodically conducts deep-dive sessions into specific areas of activity. The following deep dives were undertaken in 2025-26.

- Governance Management of Special Purpose Vehicles (SPVs)
- Annual Workforce Report
- Section 106 (S106) and Community Infrastructure Levy (CIL)

- Update on Progress Against the Year-End Recovery Plan

ARC meetings are held in public, and papers are published with the statutory five-day deadline except where exempt information applies. The Terms of Reference for the Audit and Risk Committee were reviewed in June 2025. Meeting dates, papers and minutes are provided on the OPDC website, this can be accessed here.
Internal audit services are provided by the Mayor's Office for Policing and Crime (MOPAC), as part of the Mayor's shared service arrangements. The 2025-26 internal audit plan was approved by ARC in March 2025 and includes reviews of core activities identified as areas of risk. Progress against internal audit recommendations is monitored through monthly governance meetings involving the Executive Director of Corporate Operations/Chief Finance Officer, Head of Governance and Senior Auditor, and is regularly reported to ARC. MOPAC also undertakes follow-up reviews to confirm completion of prior recommendations from initial reviews.

The internal auditors provide an annual report summarising their findings for the year. The Head of Internal Audit presented the 2025-26 annual opinion to ARC in June 2026. The Head of Internal Audit's overall opinion for 2025-26 is that OPDC's internal control environment is reasonable, and controls are in place to mitigate key risks to support the achievement of its overall strategic objectives.

The full audits carried out as part of the 2025-26 internal audit plan are listed below with the assurance ratings:

- Commercial and Procurement & Contract Management (Adequate)
- Material Systems – Payroll (Advisory)
- Budget Management (Adequate)
- Asset Management Strategy (Adequate)
- Planning Decisions (Reasonable)

Completed follow-up reports include:

- Review of Business Case Development (Substantial)
- Commercial and Procurement & Contract Management (Substantial)

Several of the reviews originally planned for 2025-26 were finalised and submitted to ARC in June 2026. These include:

- Loans for Small Businesses
- Heat Network
- Management of Section 106 (S106) and Community Infrastructure Levy (CIL)
- Board Effectiveness Review

There were delays in completing these reviews during the reporting period due to reduced staff capacity within MOPAC. These delays were actively managed, with revised timelines agreed, additional resource allocated and strengthened monitoring in place to ensure all outstanding reviews and follow-ups were completed. ARC has maintained oversight throughout, and the delays have not resulted in any material gaps in assurance for the year.

2024-25 Annual Report and Accounts

The 2024-25 annual report and accounts were published on 27 February 2026 with a disclaimed opinion, in line with the backstop date following receipt of the final audit completion report, which included a number of audit recommendations.
This is a consequence of the reset of local government audit, with a majority of local authorities and other bodies not having their 2022-23 audit completed and receiving disclaimed opinions in subsequent years as a result. It also coincided with the rapid expansion of OPDC with the acquisition of land and subsidiary companies greatly increasing the scope and complexity of its reporting.

In response to these issues, the Executive adopted a recovery plan to address the recommendations arising from both the 2023/24 and 2024/25 audit issues, with the aim of strengthening assurance following the disclaimed audit opinion.
The plan monitors delivery against a number of workstreams to address weaknesses in accounting and disclosure encountered, including:

- In-depth lessons learned sessions, both internally and with the external auditors
- Additional resource for both the reconciliation and control elements of the entity accounts and the group consolidation work,
- Revised working papers for all of the major elements of the accounts such as assets, reserves etc
- Improved sign-off and control on all audit evidence submitted

The Executive ownership extends to regular CFO reviews on progress, a periodic CFO report to the CEO and Audit Committee oversight on delivery.

Greater London Authority Corporate Governance

OPDC is a functional body of the GLA and complies with the GLA's annual budget process, engages with the London Assembly and its committees as required, and fulfils the requirements of any Mayoral Directions given. OPDC maintains an ongoing dialogue with the Mayor's Office to ensure that the activities of OPDC are aligned with the Mayor's policy framework.

OPDC complies with the GLA Group Corporate Governance Framework Agreement, which sets out common standards for openness, transparency and accountability across the GLA Group. The Agreement reflects a shared commitment between the Mayor, London Assembly, functional bodies and officers to uphold high governance standards and collaborate effectively to support delivery of mayoral priorities.

The Framework Agreement is reviewed each Mayoral term and was most recently reviewed and reapproved by OPDC's Board in November 2025. Only minor amendments were made, including clarification that the agreement does not apply to organisations receiving general grant funding, strengthened wording on collaboration across the GLA Group (including keeping the Group Collaboration Board and related structures under review) and an emphasis on taking a strategic, coordinated approach to supporting Mayoral priorities.

OPDC confirms that it has complied with the GLA Group Governance Framework Agreement throughout 2025-26.

Whistleblowing and complaints

OPDC's Whistleblowing Policy is available on the OPDC Teams SharePoint site and the OPDC website. It sets out how colleagues, members of the public and partners can report issues, concerns or wrongdoing that should be brought to management attention. The policy applies across the Corporation, its entities and subsidiaries and reflects OPDC's legal obligations.

In 2025-26, no whistleblowing concerns were raised.

The policy was reviewed by ARC in June 2025, with minor factual and hyperlink updates since the previous review in September 2023. OPDC also renewed its contract with EthicsPoint for a further three years. This external service provides a confidential reporting route for OPDC and other GLA functional bodies. Staff were also reminded of the policy and reporting routes during the year.

Complaints

OPDC's complaint procedure is published on its webpage under 'OPDC Complaints'. This sets out how members of the public can raise a complaint and the process OPDC follows. If a complainant is not satisfied with our response, they may escalate their concern to the Local Government Ombudsman.

Meeting development needs of members and senior staff

Learning and Development remained central to empowering colleagues throughout 2025-26, ensuring staff have the tools, support and opportunities needed to thrive in their roles and contribute effectively to OPDC's organisational priorities. Building on the foundations established in previous years, OPDC continues to strengthen our learning culture and enhance access to high quality development opportunities.

The Learning and Development Steering Group introduced a new Lunch and Learn programme, creating regular opportunities for colleagues to share expertise and deepen knowledge across a wider range of operational and strategic topics. A fortnightly L&D Opportunities Bulletin was introduced, improving visibility of available resources and making it easier for staff to access relevant training.

Training continued to be delivered across a broad range of professional areas to support staff development and organisational capability. During the year, OPDC refreshed its mandatory training programme to ensure content remained relevant, proportionate and aligned with organisational priorities, strengthening compliance and awareness across the organisation.

Health and Wellbeing for Staff

During the year, OPDC successfully completed its relocation to a permanent office space on Victoria Road, marking a significant milestone that enhances its operational stability and supports its objective of establishing a long-term presence within our regeneration area.
A new Health and Safety Committee was established, providing a clear governance structure through which OPDC can maintain strong oversight of health and safety matters. The Committee meets regularly to review performance, ensure compliance with statutory duties and drive continuous improvement in organisational practices.

Five members of staff completed First Aid refresher training. OPDC strengthened its staff wellbeing offer by providing comprehensive screenings through Medigold Health, enabling employees to understand and improve their long-term health through clinically led assessments. In total, 19 staff took up this offer during 2025-26.

OPDC delivered annual Health and Safety refresher session for staff, alongside practical First Aid skills training to enable staff to practice and maintain essential emergency response techniques.

Community engagement and partnership

During 2025-26, OPDC continued to strengthen its approach to community engagement and partnership working, building on the foundations established in previous years. The Communications and Engagement team maintains a programme of active engagement with local residents, businesses and community groups, ensuring that voices from across Old Oak and Park Royal are reflected in decision-making and project development. Partnerships with the three local boroughs, key local organisations and wider stakeholders continue to play an important role in amplifying community insights and supporting inclusive regeneration.

Throughout the year, OPDC has made strong progress in deepening its engagement activities and ensuring that community perspectives directly shape public realm improvements and long-term planning. Engagement activities expanded significantly, reaching over 1,300 local people through 33 events. These included consultations on Old Oak, Neighbourhood Community Infrastructure Levy (NCIL), Wesley Playing Fields, Midland Terrace Playground, celebrations for the Small Grants programme and the launch of North Acton Square. OPDC also continued to host monthly community drop-in surgeries at Oaklands Social (located at Oaklands Rise) All consultations and regeneration updates continued to be hosted on the dedicated OPDC 'Have Your Say' website, ensuring transparency and ease of access for the local community.

Supporting and celebrating local identity remained a central focus during 2025-26. The Small Grants Programme continued to grow in reach and impact, funding ten community-led organisations and benefiting more than 61,500 local residents. Early 2026 saw the launch of the fifth round of the programme, which has now provided £270,000 to 52 community-led groups across Old Oak and Park Royal. The fifth round received 75 applicants, with 19 projects selected for funding.

OPDC continued to support community care and stewardship through expanded volunteering and outreach activities. Staff took part in 61.5 volunteer days, working with a wide range of organisations, including Brent Food Bank, Twyford Secondary School and the Canal & River Trust.

Special Purpose Vehicles (SPVs)

OPDC continues to manage its subsidiary companies in line with its own governance arrangements. The accounting and company secretarial services for all SPVs are carried out by Mercer & Hole LLP, who were appointed for an initial term of three years following a competitive tendering process.

All SPVs have the same Board structure, with Gurdip Juty, Gareth Blacker and Martin Harrison as the only directors. Board meetings for SPVs are held to consider all material decisions, including the approval of material commercial transactions, approval of the annual financial statements and financing decisions including signing loan agreements and paying dividends.

All the SPVs produce fully audited financial statements and SPV performance and board decisions are monitored by the Audit and Risk Committee regularly.

Significant governance developments

<u>Board Effectiveness Review</u>

A full external Board Effectiveness Review (BER) was undertaken in autumn 2024 by Campbell Tickell. The review made 37 recommendations across eight themes aimed at strengthening OPDC's governance framework, Board effectiveness and organisational assurance. Throughout 2025-26, progress against the recommendations was overseen by the Governance and Nominations Committee and reported regularly to the Board.
A one-year progress update was presented to the Governance and Nominations Committee and the Board in November 2025. At that point, 29 of the 37 recommendations had been completed, with authority delegated to the Chief Executive Officer to oversee completion of the remaining outstanding actions. Implementation of the recommendations has delivered a number of significant improvements, including:

- Strengthening the primacy of Board thro
- ugh updated Standing Orders, revised committee terms of reference and dedicated agenda setting processes between the Chair and CEO.
- Clarifying governance roles and responsibilities, with new role descriptions approved for the Chair, Deputy Chair, Committee Chairs and Board Members, and the establishment of the Governance and Nominations Committee
- Improving Board meeting effectiveness, including the scheduling of a Board strategy day, clearer forward planning and enhanced agenda management.
- Improving the quality and consistency of Board papers, supported by revised report templates, updated guidance and staff training on effective writing and presentation.
- Strengthening Board skills and succession planning, supported by a refreshed skills matrix guiding recruitment discussions with the Mayor's Office.

A further and final update was provided to the Board in March 2026, confirming that all outstanding recommendations had been completed and where appropriate incorporated into business-as-usual practices. The update highlighted that the Board Strategy Day took place at the end of January 2026 during which a wide range of topics were considered, including OPDC's organisational risk appetite. A comprehensive training plan for Board members has been developed and was being rolled out, including learning opportunities relating to the Public Sector Equality Duty, reflecting a specific BER recommendation. Skills mapping will now form an ongoing part of the Governance and Nominations Committee's responsibilities to support Board succession planning.

Collectively, the actions arising from the BER have delivered meaningful and lasting improvements to OPDC's governance framework. Strengthening the primacy of the Board in decision-making, clarifying roles and responsibilities, improving the structure and effectiveness of Board meetings and introducing a more strategic and transparent approach to Board skills development and succession planning.

Establishment of the Governance and Nominations Committee

Following a recommendation from the BER, the OPDC Board agreed at its meeting on 5 February 2025 to establish a Governance and Nominations Committee as a new standing committee of the Board. The Committee was created to strengthen Board-level oversight of governance, assurance, Board effectiveness and succession planning.

Establishment of the Residents' Panel

A further BER recommendation was fulfilled with the establishment of a formal Residents' Panel to strengthen engagement between residents and the Board. This development builds on the earlier informal meetings held with resident representatives and provides a structured mechanism for residents to contribute insight, raise issues and inform OPDC's decision-making. The first meeting of the panel took place on 8 September 2025, marking the start of a more transparent and accountable approach to community engagement at Board level.

Establishment of the Health, Safety and Environment Committee

During 2025-26, OPDC established a new Health, Safety and Environment (HSE) Committee. The Committee was created in response to increasing organisational responsibilities as a major landowner and to enhance oversight of health, safety and environmental compliance across OPDC's estate. Chaired by the Chief Executive Officer, the Committee brings together representatives from across OPDC and receives direct reporting from OPDC's commercial managing agents, Avison Young, to ensure robust monitoring of asset management performance.

The Committee met for the first time in November 2025, supported by a programme of monthly meetings until mid-2026, when meetings are planned to become quarterly. A rolling programme of site visits has been established, with initial visits in January 2026. At the time of writing, the Committee is overseeing the development of a new health and safety dashboard for regular Board reporting and has led a comprehensive review of OPDC's Emergency Response Protocol in December 2025.

Executive Team changes

On 16 January 2026, the Chief Executive Officer launched the Corporation's new Executive Team structure to staff, replacing the former Senior Management Team (SMT). This change reflected OPDC's continued organisational growth and the requirements of the next phase of delivery with a smaller more focused leadership group. This change supports the delivery of OPDC's overall objectives in a more coordinated and aligned way, providing clear alignment across core business functions and strengthening financial performance, strategic planning, operational delivery, communications and organisational culture.

Review of effectiveness of internal control

OPDC conducts an annual review of the effectiveness of its governance, risk management and internal control arrangements in line with the CIPFA/SOLACE Delivering Good Governance in Local Government framework. This review is informed by a comprehensive assurance process drawing on multiple sources of evidence.

As part of this process, all members of the Executive Team completed Directorate Assurance Statements for 2025-26, assessing the effectiveness of internal controls across key governance areas including delegated authority, risk management, financial management, governance and accountability, human resources, third-party and contract management, counter-fraud arrangements and performance management. Directors confirmed whether arrangements operated effectively and identified any areas of partial or limited assurance requiring attention, with commentary provided for any areas of partial or non-compliance.
The consolidated outcomes were presented to the Audit and Risk Committee on 17 March 2026, which reviewed the findings and confirmed that the assurance process provides a sound evidence base for the preparation of the Annual Governance Statement.

Overall assurance position

The assurance statements form a significant part of the evidence base for the AGS. The process ensures that Executive Team members take direct ownership of governance and control arrangements within their areas, and that emerging risks, internal control issues and capacity gaps are surfaced early and escalated appropriately.

Across the organisation, internal controls were assessed as providing Substantial or Reasonable Assurance in most areas. This reflects well-established governance arrangements, clear roles and responsibilities, good compliance with the Scheme of Delegation, consistent financial oversight, strong counter-fraud arrangements and effective performance management frameworks.

No issues were identified that meet the definition of a significant governance issue. However, the assurance process identified several areas for improvement, which have informed OPDC's 2026-27 Governance Action Plan.

2025-26 action plan

OPDC's updated 2025-26 action plan, as reported to the Audit and Risk Committee on 13 November 2025, is set out below. It summaries the key areas for improvement and actions identified, with OPDC's current position in relation to each action.

No.	Area to improve	Actions	Status
1.	Workforce Report	Conduct a workforce report and incorporate other key strategic documents	Completed and presented to the Committee in September 2025.
2.	Letters of Delegations	Circulate Letters to directorates – outlining and confirming delegated authority limits	Completed, with formal letters issued to directorates on 16 June 2025.
3.	Governance Framework	A review and refresh of the Corporation's Governance documents, ensuring they are up to date and aligned with practice at the GLA	Completed and presented to the Audit and Risk Committee and Board throughout 2025-26.
4.	Risk Management Framework	Implement the new Risk Management Framework across the organisation	Partially complete. The new Risk Management Framework was approved by the Audit & Risk Committee and shared across the organisation. Further work is planned, including Board approval of the new Risk Appetite Statement, to support embedding of consistent and effective risk management practice across the organisation.
5.	Board Effectiveness Review	Implement recommendations following the Board Effectiveness Review	Completed, with one year report presented in November to Board and Governance and Nominations Committee.
6.	Corporate Plan	Review and implement a new Corporate Plan	Partially complete. A review of the existing Corporate Strategy was undertaken, with minor updates made to ensure it remains fit for purpose. A full review and refresh will take place in 2026-27.
7.	Internal Control Environment	Continuous enhancement and review of budgeting and quarterly financial reporting	Completed

2026-27 action plan

To support continuous improvement and ensure alignment with the CIPFA/SOLACE Delivering Good Governance Framework, OPDC has developed a governance action plan for 2026-27. This plan reflects areas for development identified through the 2025-26 Annual Governance Statement process, internal audit findings, risk management activity, Directorate assurance statements and committee oversight.

Progress against the 2026-27 governance actions will be monitored throughout the year and reported to the Audit and Risk Committee, with outcomes reflected in the 2026-27 Annual Governance Statement.

No	Area to improve	Actions	Owner	Timescales
1.	People and Capability	Improve mandatory training compliance, through strengthened monitoring; enhance induction on decision-making and ensure MyHR usability for leave and sickness management.	Head of People	Quarter 1
2.	Business Continuity Plan	Deliver refresher training; run a corporate desktop exercise, ensure all staff understand BCP activation, roles and contact routes.	Executive Director, Corporate Operations	Quarter 2
3.	Audit Readiness and Evidence Quality	Progress the audit recovery plan; consolidate documentation; provide guidance on 'what good evidence looks like'; resolve shared service issues.	Head of Finance	Quarter 2
4.	Embed Risk Management	Complete full rollout of Risk Management, including refreshed corporate risk reporting, strengthen team-level risk discussions, improve escalation processes and deliver staff training aligned to the Risk Appetite Statement.	Head of Governance	Quarter 3
5.	Information Governance	Refresh information governance policies, improve data handling processes and complete mandatory training to ensure compliance and understanding.	Head of Governance	Quarter 3
6.	Decision Making and Delegated Authority Compliance	Deliver refresher training on the Scheme of Delegation and improve staff understanding of decision thresholds and approval routes.	Head of Governance	Quarter 4
7.	Corporate Plan	Develop and implement a new OPDC Corporate Plan	Director of Communications, Engagement and Strategy	Quarter 4

Conclusion and disclosure

OPDC has maintained sound governance arrangements in place throughout 2025-26, consistent with the principles set out in the CIPFA/SOLACE Delivering Good Governance in Local Government Framework. No significant governance related developments or events have arisen between the end of the financial year and the signing of the draft Annual Governance Statement.

OPDC remains committed to maintaining and strengthening its governance arrangements. As part of its continuous improvement approach, OPDC will monitor the effectiveness of its governance framework throughout 2026-27. The next Annual Governance Statement will report on the progress made in responding to the governance improvements and actions identified in this year's statement.

Dame Karen Buck
Chair (on behalf of the Board)

Matthew Carpen
Chief Executive Officer

Glossary of terms

Accruals basis

The accruals principle is that income is recorded when it is earned rather than when it is received, and expenses are recorded when goods or services are received rather than when the payment is made.

Actuarial gains and losses

Actuaries assess financial and non-financial information provided by the Corporation to project levels of future pension fund requirements. Changes in actuarial deficits or surpluses can arise leading to a loss or gain because;

- events have not coincided with the actuarial assumptions made for the last valuation; and/or
- the actuarial assumptions have changed.

Balances

The balances of the Corporation represent the accumulated surplus of income over expenditure on any of the funds.

Carrying amount

The balance sheet value recorded of either an asset or a liability.

Chartered Institute of Public Finance and Accountancy (CIPFA)

CIPFA is the leading professional accountancy body for public services.

Creditors

Amounts owed by the Corporation for work done, goods received, or services rendered, for which payment has not been made at the date of the balance sheet.

Current service cost

Current service cost is the increase in the present value of a defined benefit pension scheme’s liabilities expected to arise from employee service in the current period, i.e., the ultimate pension benefits ‘earned’ by employees in the current year’s employment.

Curtailment

Curtailments will show the cost of the early payment of pension benefits if any employee has been made redundant in the previous financial year.

Debtors

These are sums of money due to the Corporation that have not been received at the date of the Balance Sheet.

Defined benefit scheme

This is a pension or other retirement benefit scheme other than a defined contribution scheme. Usually, the scheme rules define the benefits independently of the contributions payable and the benefits are not directly related to the investments of the scheme. The scheme may be funded or unfunded (including notionally funded).

External audit

The independent examination of the activities and accounts of local authorities to ensure the accounts have been prepared in accordance with legislative requirements and proper practices and to ensure the Corporation has made proper arrangements to secure value for money in its use of resources.

Expenditure

This is amounts paid by the Corporation for goods received or services rendered of either a capital or revenue nature. This does not necessarily involve a cash payment since expenditure is deemed to have been incurred once the goods or services have been received even if they have not been paid for.

Fair value

Fair value is the price at which an asset could be exchanged in an arm's length transaction, less any grants receivable towards the purchase or use of the asset.

Financial regulations

These are the written code of procedures approved by the Corporation, intended to provide a framework for proper financial management. Financial regulations usually set out rules on accounting, audit, administrative and budgeting procedures.

General fund

This is the main revenue fund of the Corporation and includes the net cost of all services financed by Government and other trading income.

Income

These are amounts due to the Corporation for goods supplied or services rendered. This does not necessarily involve a cash payment. Income is deemed to have been earned once the goods or services have been supplied even if the payment has not been received (in which case the recipient is a debtor to the Corporation).

Internal Audit

The role of internal audit is to provide independent assurance that an organisation's risk management, governance and internal control processes are operating effectively.

International Financial Reporting Standard

Defined Accounting Standards that must be applied by all reporting entities to all financial statements in order to provide a true and fair view of the entity's financial position, and a standardised method of comparison with financial statements of the other entities.

Liabilities

These are amounts due to individuals or organisations which will have to be paid at some time in the future. Current liabilities are usually payable within one year of the Balance Sheet date.

Materiality

Information is material if including, omitting or misstating it could influence decisions that users make on the basis of financial information about a specific reporting authority. In other words, materiality is an authority-specific aspect of relevance based on the nature or magnitude, or both, of the items to which the information relates in the context of an individual authority's financial statements.

Non-cash

These are entries on the Comprehensive Income and Expenditure Statement or Cash Flow Statement correlating to expenses that are essentially just accounting entries rather than actual movements of cash.

Provisions

Amounts set aside to meet liabilities or losses which are anticipated to be incurred but where the amount and/or the timing of such costs is uncertain.

Related parties

Related parties are central government, other Local Authorities, subsidiary and associated companies, Members and all Executive Management Team members. For individuals identified as related parties, the following are also presumed to be related parties:

- members of the close family, or the same household, and
- partnerships, companies, trusts or other entities in which the individual, or member of their close family or the same household, has a controlling interest.

Reporting standards

The Code of Practice prescribes the accounting treatment and disclosures for all normal transactions of a Local Authority. It is based on International Financial Reporting Standards, International Accounting Standards and International Financial Reporting Interpretations Committee (IFRIC) plus UK Generally Accepted Accounting Practice (UK GAAP) and Financial Reporting Standards (FRS).

Reserves

Amounts set aside for general contingencies, to provide working balances or earmarked to specific future expenditure.

Revenue expenditure

Expenditure incurred on the day-to-day running of the Corporation. This mainly includes employee costs, general running expenses and capital financing costs.

Treasury management

This is the process by which the Corporation controls its cash flow and its borrowing and lending activities.

Treasury Management Strategy (TMS)

A strategy prepared with regard to legislative and CIPFA requirements setting out the framework for treasury management activity for the Corporation.