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## Old Oak and Park Royal Development Corporation

1. OPDC is the Mayoral Development Corporation (MDC) for the Old Oak and Park Royal area. It came into operation on 1 April 2015 to deliver the strategic regeneration opportunity provided by 134 hectares of brownfield land close to central London, creating an exemplar sustainable and inclusive community.
2. The new Old Oak Common station will be the UK's largest ever sub-surface station and will be the largest station to be built in the country in a century. When the station opens, transport connectivity between Old Oak and Central London, Heathrow and the wider UK will be outstanding, offering an interchange between HS2, the Elizabeth line and Great Western services. The Old Oak and Park Royal Development Corporation (OPDC) will utilise its planning and regeneration powers to ensure that these benefits are captured and maximised to deliver much-needed homes, jobs and facilities.
3. The budget has been prepared in the context of OPDC pivoting away from its main delivery focus – Phase 1, a land acquisition strategy centred to a large extent on public sector land, but also land owned by multiple third parties.
4. The OPDC has developed a revised strategy, the key elements include a new focus on the regeneration of the 'Western Lands' along Old Oak Common Lane, Old Oak Land and Victoria Road where key sites are owned by the Department for Transport and Network Rail. This involves developing an evidence base of the benefit of a comprehensive and coordinated approach to land, development and infrastructure funding to optimise the strategic opportunities that the area offers. OPDC will work towards securing the support of major partners including public sector landowners and funders.
5. OPDC's 2021-22 budget includes the costs of administering their existing statutory planning functions, which spans an area in three boroughs (Hammersmith & Fulham, Brent and Ealing); funding to support a significant increase in their interventions in Park Royal to boost the productivity and sustainability of London's largest industrial estate, including a number of third party funding bids; support to enable OPDC to work with investors and landowners to bring forward innovative early development sites.

### Key deliverables

6. The key deliverables for 2021-22 are as follows:
  - **Western Lands/Strategic opportunity:** Developing a funding and delivery strategy for major development in an area dominated by public sector ownership. OPDC will seek and coordinate political support and investment in land and funding to allow a comprehensive and strategic approach to regeneration.
  - **Accelerated development:** Targeted interventions to address market failure and/or optimise development where land can be unlocked. OPDC will seek to maximise public benefit through a range of investment, public realm, meanwhile use and programming interventions.

- **Industrial regeneration:** Supporting the intensification of industrial land use, through infrastructure improvements, and economic development and innovation including support for emerging sectors. OPDC will work to accelerate the decarbonisation of industrial land uses through increased efficiency, renewable energy, supporting the adoption of electric vehicles etc. and support access to skills, training and employment; with a targeted emphasis on OPDC's most disadvantaged communities.
- **In the Making:** Empowering local communities through genuine participation and agency in delivery projects. OPDC will Increase community ownership of assets and programmes, support sustainable funding and pilot new approaches to design and delivery on the ground for the benefit of OPDC's longer term development.
- **Engaging communities and stakeholders:** Developing and implementing an overarching communications and engagement strategy to support OPDC's Western Lands approach and Local Plan examination, ensuring that stakeholders and community members are consulted, listened to and enabled to help shape our development plans in a collaborative, inclusive and meaningful way.
- **Local Plan:** During 2020-21 OPDC, will be responding to the inspector's interim findings on the draft Local Plan. There will be a further public consultation and possibly additional examination hearings. The inspector will then write his final report, prior to OPDC being able to adopt the Local Plan. Work will also commence on the impacts of Covid-19 on town planning and this will inform future planning policies and guidance that OPDC produces.
- **Infrastructure Funding Strategy:** Officers will progress OPDC's Planning Obligations Supplementary Planning Document and Community Infrastructure Levy (CIL) Strategy to devise the optimal way to secure appropriate contributions from developments towards strategic infrastructure requirements.
- **Housing delivery:** OPDC will continue to work with developers and the wider construction industry to ensure that where it is safe to do so, construction is continuing and the OPDC area continues to contribute towards London's need for new homes at a range of affordabilities.
- **Vision:** Ensure OPDC has a clear vision and high-level work programme for the medium-term through by agreeing a new Corporate Plan that reflects the changes in direction brought about by the revised approach to regeneration.
- **Values and behaviours:** Introducing a new set of values and behaviours, which staff at all levels are signed up to and which supports professionalism, and public service ethos and strong delivery.

### Gross revenue expenditure

7. The Mayor's proposed gross revenue expenditure for the OPDC in 2021-22 is £6.5 million.

### Net revenue budget and council tax requirement

8. The following table sets out the proposed budget for OPDC on an objective and subjective basis.

**Table 1 OPDC – Objective Analysis**

<b>Objective Analysis</b>	<b>Revised Budget 2020-21 £m</b>	<b>Forecast Outturn 2020-21 £m</b>	<b>Budget 2021-22 £m</b>	<b>Plan 2022-23 £m</b>
CEO Office	1.0	0.9	0.8	0.8
Planning	1.4	1.3	1.5	1.5
Delivery	2.2	1.8	2.1	2.1
Corporate Operations	2.4	2.1	2.0	2.1
<b>Total expenditure</b>	<b>7.1</b>	<b>6.2</b>	<b>6.5</b>	<b>6.6</b>
Planning application income	-0.3	-0.3	-0.3	-0.3
Income	0.0	0.0	0.0	0.0
<b>Total income</b>	<b>-0.3</b>	<b>-0.3</b>	<b>-0.3</b>	<b>-0.3</b>
<b>Net expenditure</b>	<b>6.8</b>	<b>5.9</b>	<b>6.2</b>	<b>6.3</b>
Retained Business Rates	6.8	6.8	6.2	6.3
Mayoral Development Corporation Reserve	0.0	0.0	0.0	0.0
Council tax requirement	0.0	0.0	0.0	0.0

**Table 2 OPDC – Subjective Analysis**

<b>Subjective Analysis</b>	<b>Revised Budget 2020-21 £m</b>	<b>Forecast Outturn 2020-21 £m</b>	<b>Budget 2021-22 £m</b>	<b>Plan 2022-23 £m</b>
Employee expenses	4.1	3.6	4.0	4.0
Supplies and services	3.0	2.6	2.5	2.6
<b>Total expenditure</b>	<b>7.1</b>	<b>6.2</b>	<b>6.5</b>	<b>6.6</b>
Total income	-0.3	-0.3	-0.3	-0.3
<b>Net expenditure</b>	<b>6.8</b>	<b>5.9</b>	<b>6.2</b>	<b>6.3</b>
Retained Business Rates	6.8	6.8	6.2	6.3
Mayoral Development Corporation Reserve	0.0	0.0	0.0	0.0
<b>Council tax requirement</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

**Explanation of budget changes**

9. An analysis of the year on year movement in the council tax requirement, comparing the revised 2020-21 budget to the proposed 2021-22 budget, is set out below.

<b>Changes in the council tax requirement</b>	<b>£m</b>
2020-21 council tax requirement	0.0
<i>Changes due to:</i>	
Inflation	0.1
Savings and efficiencies	-0.6
New initiatives and service improvements	0.0
Net change in GLA funding	0.6
<b>2021-22 council tax requirement</b>	<b>0.0</b>

#### **Inflation**

10. The budget includes a provision for inflation of £0.07 million. This reflects the expected pay award in 2021-22.
11. The budget incorporates planned savings and efficiencies of £0.6 million. This reflects a revised strategy for the Western Lands.

#### **Net change in GLA funding**

12. The OPDC receives its revenue funding via the GLA, paid from business rates and funds held in the Mayoral Development Corporation Reserve. The funding provided by the GLA will decrease by £0.6 million in 2021-22, compared to the revised 2020-21 budget.

#### **Equalities**

13. Equality for all is at the centre of the corporate strategy of the OPDC, which is to improve lives through employability, improved homes and exemplar neighbourhoods. OPDC's corporate strategy is being reviewed, and a new Corporate Plan will be developed for 2021-22. The OPDC's approach to inclusion is set out in Inclusive London, the Mayor's equality, diversity and inclusion strategy.
14. The OPDC will deliver new housing and employment capacity for London in ways that are accessible and inclusive for all sections of new and existing communities. OPDC's Local Plan recognises the importance of this and seeks to deliver 'Lifetime Neighbourhoods' with inclusive design at the heart of development. OPDC is allocating funding for a range of investment, policies and programmes to positively impact equalities outcomes.
15. The OPDC is committed to creating a diverse and inclusive workforce through measures such as the development of a clear action plan to achieve the objective and monitoring, analysing and publishing workforce equalities data. OPDC also promotes regeneration and community

engagement through measures such as providing training and skills development for residents and businesses; developing volunteering and mentoring opportunities for residents and communities; and reducing the impact of health inequalities by maximising health and sports facilities in the development area.

### **Environmental impact**

16. OPDC's draft Local Plan includes a range of environmental planning policies that will support the Mayor's target for London to become a zero-carbon city by 2050. This includes policies requiring developments to be air quality and biodiversity positive, reduce and re-use waste materials, minimise energy and source any energy generation needs from low carbon sources, in accordance with the Mayor's Energy Hierarchy. OPDC is developing planning guidance to support the implementation of these policies.
17. The OPDC area will benefit from a highly-connected network of new and improved streets and open spaces, which will encourage exemplary levels of walking and cycling. Sustainable transport will be embedded at the heart of the future masterplan, with a redesigned and improved local bus network, and a significantly transformed road network. The OPDC commits to implementing the new London Plan environmental policies.
18. Through its expanded programme for Park Royal, OPDC will be working to develop strategies and pilot implementation of low carbon technologies suitable to support Park Royal's development and reduce its environmental impact. This includes delivering a photovoltaic electricity pilot, working with TfL to implement vehicle charging points and looking for further opportunities to support investment in low carbon generation and energy storage technology on the estate.
19. As a member of the GLA Group, OPDC supports the measures in the London Environment Strategy, such as increasing access to tap water, reducing emissions (including through installation of solar), improving OPDC's climate resilience through green infrastructure and sustainable drainage, and reducing the OPDC's waste and increasing recycling rates.

### **Reserves**

20. The OPDC has no reserves as its operational expenditure is funded by the GLA through business rates and balances held on the Mayoral Development Corporation Reserve, which is held with the GLA: Mayor component budget. The balance of the contingency for activity in the OPDC area, held in the Mayoral Development Corporation Reserve, is available to meet unexpected operational pressures.