



City of Westminster

# Cabinet Report

<b>Decision Maker:</b>	Cabinet
<b>Date:</b>	8 <sup>th</sup> April 2019
<b>Classification:</b>	For General Release
<b>Title:</b>	Oxford Street District – Business Case and Investment Approval
<b>Wards Affected:</b>	West End, Bryanston and Dorset Square, Marylebone High Street and Hyde Park
<b>Key Decision:</b>	Yes
<b>Financial Summary</b>	<p>The Capital Strategy was approved by Council on 6<sup>th</sup> March 2019 and includes a budget of c.£150m for the Oxford Street District. This report sets out the rationale for the Council's investment in to the programme supported by a Business Case.</p> <p>The Place Strategy and Delivery Plan was approved by Cabinet on 25<sup>th</sup> February 2019. The cost of delivering this (option 4) is £232m which is the preferred option within the business case, therefore additional funding will need to be secured from the private sector.</p> <p>This report requests approval to spend of c.£21m</p>
<b>Report of:</b>	Barbara Brownlee, Executive Director, Growth, Planning and Housing
	Deirdra Armsby, Director of Place Shaping and Town Planning

## 1. Executive Summary

- 1.1 Following a public consultation exercise Cabinet approved the Oxford Street District Place Strategy and Delivery Plan on 25<sup>th</sup> February 2019. The Place Strategy promotes a set of 15 overarching place-based principles and delivery of 96 projects to help deliver the ambition for the district. These place-based projects are specifically aimed at improving and enhancing the whole district, including its residential neighbourhoods, while securing its future as a global destination, with an unrivalled experience and visitor offer
- 1.2 A business case has been developed setting out the justification for the Council's investment. The case for change is both urgent and compelling. The creation of the Elizabeth Line will bring additional people which will intensify the existing issues in the district including inadequate public realm, significant levels of pedestrian congestion and road safety issues and poor air quality. To ensure the district remains globally competitive investment is required. The Council is the highway authority, the planning authority, the statutory authority for wider issues such as trading standards and street trading and the street lies entirely within the area of Westminster. At the same time there is fragmented land ownership which makes large scale improvements challenging without the Council's intervention.
- 1.3 The Business Case has been based around four options. All options show very high value for money compared to a do nothing scenario with a cost benefit ratio of between 9.09 and 12.57. Option 4 is the preferred option as detailed below, however the Council is able to fund option 3 if private sector funding is not secured:
- **Option 1 – Do nothing**
  - **Option 2 – Oxford Street only** (c.£100m Council investment)  
*This is not deliverable due to the displacement impacts of undertaking the changes to Oxford Street without prior improvement to district streets*
  - **Option 3 – Oxford Street and related enabling works** (c.£150m Council investment)  
*There is a clear rationale for implementing option 3, the Council's capital budget allocation of £150m could fund this option. It delivers against the strategic rationale for the programme and has strong and robust economic performance, delivering very high value for money. However, it does not fully deliver the aspirations of the Place Shaping Strategy.*
  - **Option 4 – Oxford Street and all projects identified in the Place Shaping Strategy** (£150m Council investment and c.£82m investment by the private sector)  
PREFERRED – *This fully delivers the Place Shaping Strategy and secures the maximum benefit for the district. It would play a key role in improving connectivity across the district, therefore supporting intensification of economic activity where there is the most potential to do so. However, this requires private sector funding to be secured. It is important to note that through initial conversations*

*with stakeholders there is a clear expectation that elements of option 3 will be funded from the private sector. Council investment can then support both option 3 and option 4. A Funding Strategy will be fully developed so that external funding can be formally secured.*

## **2. Recommendations**

2.1 This report provides a summary of the Business Case, the rationale for investment and proposes the following recommendations:

- a) That Cabinet approve the Business Case which demonstrates high value for money and provides a robust justification for the £150m investment by the Council for the Oxford Street District programme.
- b) That Cabinet approve spend against the project of c.£21m focussed on the design, surveys and other feasibility related work for the programme, this includes a contingency element.
- c) That Cabinet approve Option 4 as the Preferred Option which delivers the Place Shaping Strategy as approved by Council on 25 February 2019 and has an estimated cost of £232m. To deliver this option additional funding will be required from the private sector.
- d) That Cabinet approve the development of a Funding Strategy which sets out how the council will work to secure the funding required to deliver Option 4 of c.£82m.
- e) That decisions are delegated to the Cabinet Member for Place Shaping and Planning and the Cabinet Member for Finance, Property and Regeneration in consultation with the Oxford Street Steering Group including:
  - Approval for projects to enter the delivery phase (individual projects will be grouped into work packages and approved over the course of the programme) and hence approval to spend against budget
  - Acceptance of external funding and to respond to stakeholders.

## **3. Background, including Policy Context**

### **Policy Context**

- 3.1 The Policy context relating to this report includes the Council's City for All and adopted and emerging City Plan policies. The Oxford Street District Place Strategy and Delivery Plan approved by Cabinet on 25<sup>th</sup> February 2019 reflects these policies and will contribute to delivering these over the lifetime of the project - for example the strategy aims to create a city that is healthier and greener which is a theme in the City for All vision.
- 3.2 The Place Strategy is fully cognisant of the relevant strategic policy frameworks such as the Mayor's draft London Plan, Transport Strategy and TfL's Healthy Streets approach. For example, the Mayor's Transport Strategy promotes active, inclusive and safer travel which is a key aspect of the Place Strategy proposals.

## Background

- 3.3 The business cases is broken down into 5 different aspects which are interconnected but distinct. It sets out that the programme:
- is supported by a robust Case for Change – the Strategic Case;
  - optimises Value for Money – the Economic Case;
  - is commercially viable – the Commercial Case;
  - is financially affordable – the Financial Case; and,
  - can be delivered successfully – the Management Case.

## Strategic Case

- 3.4 Oxford Street is one of the world's most celebrated retail streets, it is visited by millions of people each year and is an essential part of the West End and London offer. The streets setting means it sits alongside several distinctive and historic neighbourhoods, including Fitzrovia, Marylebone, Mayfair and Soho, that provides a richness and vibrancy that cannot be matched. This is why it is important that Oxford Street is considered as part of a diverse district, integrated into the wider West End, where it can provide world class retail, commercial, culture and leisure opportunities, and is a good neighbour for local residents. Celebrating and amplifying the different elements will reinforce its continuing status as London's primary shopping street and support its development into a vibrant centre for civic life and commerce.

- 3.5 *The need for intervention*

The case for change is both urgent and compelling – Oxford Street's current condition does not match its importance and status. Preparations for the Elizabeth Line have already brought significant change and its opening will intensify conditions across the district. The two West End stations are projected to bring an additional 60 million people annually; increasing the 200 million annual visits to the district by almost a third. The economic opportunities that this will bring are accompanied by the challenge of adapting congested streets and spaces to accommodate greatly increased pedestrian movement. In order to ensure the long-term success of the district, the Council must confront the challenges it now faces:

**Inadequate public realm** - Poor quality public realm and limited amenities mean that the current pedestrian environment is no longer fit for purpose for residents and visitors to the district and connections between the street and its surroundings are often unclear. A good pedestrian environment is crucial to the ease with which visitors, residents and workers move through and enjoy the Oxford Street District.

**Pedestrian congestion** - Pedestrians using Oxford Street and parts of the surrounding district experience high levels of congestion and discomfort during certain periods of the day. The street environment is cluttered and in some places constrained. It is anticipated that the number of pedestrians in the Oxford Street District will increase overall as a result of the opening of the Elizabeth Line stations, with some areas experiencing very significant growth in pedestrian

movement. If not addressed, the issues of pedestrian over crowding within the Oxford Street district will become more acute and this may lead to impacts on pedestrian safety.

**Poor air quality** - Oxford Street and the surrounding district is one of the most polluted areas in the UK. The majority of harmful emissions are released from road traffic. The current levels of traffic congestion, quantity of freight movements during busy periods of the day and high volumes of polluting diesel vehicles need to be addressed by a holistic programme of measures. Conditions in the future can be greatly improved by reducing the amount of traffic and ensuring that the remaining vehicles adopt low emission technology as rapidly as possible across the entire district.

**Poor road safety** - The issue of road safety is of critical concern for the Oxford Street District programme. With the expected increase in pedestrians as a consequence of the Elizabeth Line, it is even more critical that the road safety issues on Oxford Street and throughout the district are addressed.

**Poor street environment blighted by an excessive number of vehicles** - The streets around Oxford Street are very heavily utilised by waiting and parked vehicles, detracting from the quality of the public realm. Many of the vehicles have an important purpose but the most convenient location for them to stop is often where it causes the greatest impact, blocking sight-lines, causing obstructions, making crossing movements more difficult and dangerous, and dominating the street environment.

**Evolving retail trends and global competition** - In an age of online shopping, high street retail is increasingly moving away from traditional commerce, towards an approach that includes leisure, entertainment and experience. In addition, Oxford Street's competitors – both within London and further afield – are providing attractive shopping destinations. Oxford Street should thrive as part of a diverse district, better integrated into the wider West End, to build upon a unique mix of retail, workspace, homes, culture and leisure, delivering economic growth and responding to the rapid evolution of retail and working life.

### 3.6 *Rationale for Council investment*

The street lies entirely within the City of Westminster. The Council is the highway authority responsible for the management and maintenance of the street and wider area, the planning authority responsible for determining planning and listed building applications on and around the street and the statutory authority for things like trading standards, street trading, noise and air pollution, road safety and, with the Metropolitan Police, crime and anti-social behaviour. Unlike other parts of the West End, within the district there is fragmented land ownership, which makes large scale improvements challenging. This is why the Council is showing the necessary civic leadership in order to set out a unifying vision that can act as a catalyst and drive improvements on the ground. The significant funding that the Council has made available within the Capital Programme is a kick start to make this a reality and will encourage partners to commit their support.

### 3.7 *Scope*

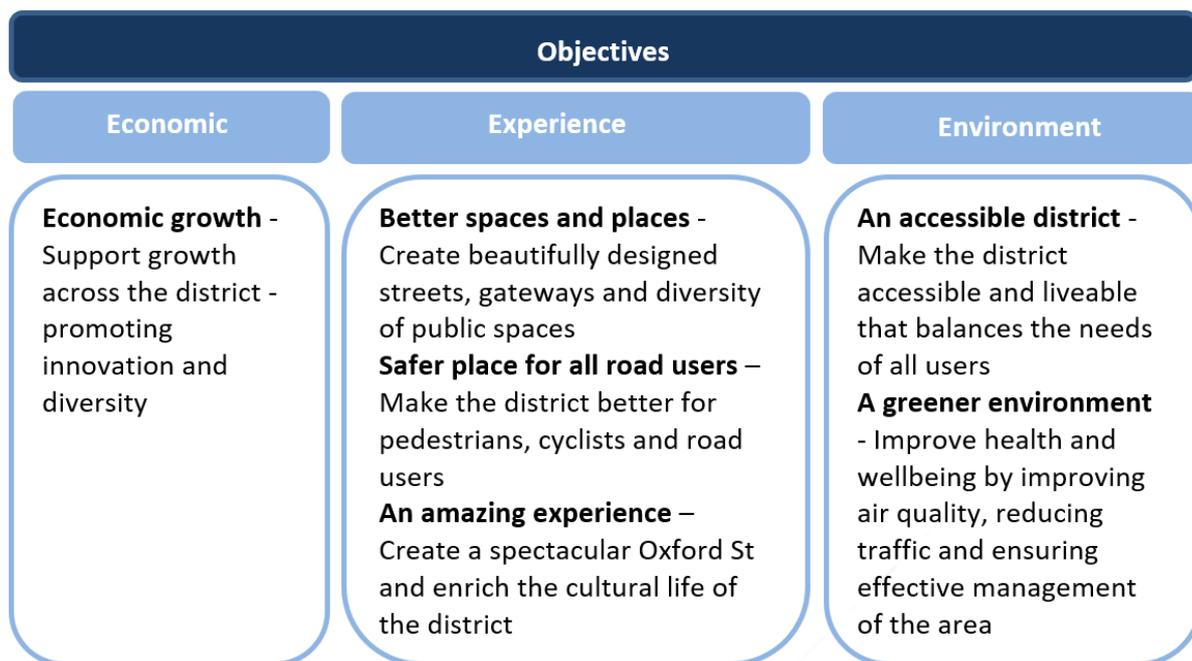
A district has been defined that includes all of Oxford Street, including the gateways at Marble Arch and Tottenham Court Road, and a substantial wider area. The initial criteria was to include streets and spaces at a minimum of two blocks either side, all of the garden squares, and the new Elizabeth Line stations. The district's edges are broadly defined as reaching Portman Square and Mortimer Street to the north and extending to Grosvenor Street and Broadwick Street in the south, including parts of the historic neighbourhoods of Marylebone, Mayfair, Fitzrovia and Soho. A district-wide approach to the Place Strategy realises the area spatially as a series of nine character areas or zones from Marble Arch to Tottenham Court Road which have been sensitively considered to reflect the diverse demographic of users, their heritage, garden squares, the varied range of uses, traffic networks and major gateways into the district and wider West End.

### 3.8 *Objectives*

The Place Strategy and Delivery Plan provides a mechanism to knit together the area's diverse projects. The strategy has a multi-layered approach, responding to the complex nature of the area and recognising that multiple aspects need to be addressed to create meaningful change. The Place Strategy contains proposals for these elements: mix of land uses; streets and spaces; proposed operational approach; transport including: walking; buses; cycling; air quality; vehicle access; road safety; coaches; taxis (not including private hire vehicles); general traffic; goods vehicles; servicing and deliveries; accessibility for all; management; wayfinding and legibility; amenity; play; architectural quality; materials; lighting; landscape; culture and public art.

The Place Strategy promotes 15 overarching place-based principles, which, when applied to specific places and locations, will help to generate a set of solutions that meet the needs of the local residents and stakeholders. Each principle is designed to add to the character and function of the existing places within the district and help to determine the scope for any new projects.

In developing this the Council has listened carefully to those who know best – those who live, work, visit and do business in the area; that has helped shape our understanding of what makes the place so special and what we should seek to augment. In summary the objectives for the overall programme are set out below.



### Economic Case

- 3.10 There will be transport benefits associated with the strategy. For the purposes of the economic case quantification has focussed on these transport impacts, as they are more immediate and readily quantifiable based on available data. However, this should not be interpreted as meaning that the outcomes that the strategy seeks to achieve are primarily transport-related. Rather, improvements to transport are simply an enabler, that will contribute to the higher-level vision for the district.
- 3.11 *Option Development*

Every street in the district has been studied in regard to how it works currently, and how it might be included as part of the improvements. This was approached through the application of criteria set out in the principles and in the detailed area analysis that was undertaken. The process also included a review of other previous strategies and ideas for Oxford Street and the wider district. There have been many excellent and detailed ideas developed for the area, over many years.

Meetings were held with a broad cross-section of residents' groups, retailers, businesses, interest groups and landowners, to discuss priorities and ideas for the Oxford Street District. Workshops were also held with the Westminster Youth Council and workers from across the district. This process continued throughout the consultation period.

The work above identified a large number of projects on streets across the district. As such, the subsequent step has involved prioritising the interventions that were identified. A phasing workshop session was held in with input from relevant contractors and representatives. This structured process considered priorities in relation to the following requirements:

- Enabling works
- Traffic management
- Stakeholders
- Adjacent scheme dependencies
- Requirements to develop projects in partnership with third parties

Based on this, each project was assigned to a delivery phase, which form the basis of the options considered in this business case.

Projects have initially been selected for inclusion in phase 2 (the delivery of option 3) on the basis of those that provide the best value for investment and deliver the core objectives of the scheme (which include improvements to road safety, walking, cycling, air quality and public realm).

Further projects are required to ensure that the transport network operates effectively and so that potential impacts are avoided. These projects have also been included within phase 2. Projects that improve the movement of people and vehicles will be prioritised within the phase 2 delivery programme so that the capacity of the transport network is enhanced early in the construction process to minimise construction impacts. This will also create a good foundation for other place based projects that are identified in later phases.

Projects that directly benefit local residents and stakeholders and address the concerns raised in the strategy consultation have also been prioritised for delivery in phase 2. It is likely that some of the most beneficial phase 3 schemes may be brought forward into phase 2 as the project moves forward subject to the identification of further funding.

### 3.12 *Business Case Options*

The options considered in the business case are based on combinations of projects in the delivery phases discussed above. Four options were considered for the business case:-

**Option 1 (Do Nothing)** - This option is the 'Do Nothing' option and represents the most likely future situation if the OSD strategy was not implemented. It therefore differs from the current situation on the ground ('as is'), as it includes schemes that are under construction and committed. All of the other options are therefore considered relative to this option.

**Option 2 (Phase 2 – Oxford Street)** - This option solely involves measures along Oxford Street itself. This option will see major improvements at key locations along Oxford Street with the creation a new public piazza at Oxford Circus. The carriageway width will also be reduced to two lanes (one in each direction) and the footways will be widened and decluttered at key locations to maximise the available space for pedestrians. Other improvements in this option will be additional tree planting and installation of new iconic and future proofed lighting columns on Oxford Street between Marble Arch and Tottenham Court Road.

**Option 3 (Phase 2 – Total)** - In addition to what is included in Option 2, this option includes additional measures on various district streets which form the remainder of Phase 2. These include those that are required to make Option 2 feasible to implement. The district streets included in this option are shown on the map at Appendix 2a, and various levels of interventions will be applied to these streets, which may change during the design process after consultation with Stakeholders.

- **High (Significant or Major public realm project):** For example, new pedestrian spaces or key walking routes, including new trees and / or street furniture. Allows for granite paving and kerbs, bespoke lighting, significant tree and street furniture intervention.
- **Medium (Streetscape enhancement):** For example, a mixture of granite or Yorkstone paving and kerbs, bespoke lighting, some tree and street furniture intervention.
- **Low (Minor alterations):** For example, Yorkstone paving and kerbs, bespoke lighting.
- **Do minimum / traffic operation change:** Low intervention, for example minor interventions to facilitate traffic operation changes

This option will implement improvements in the district, with the provision of more street trees and green spaces. The quality of the public spaces on and around Oxford Street will be significantly improved to restore and enhance the character of the district. This option would see the creation of various pedestrian zones and traffic free areas along Oxford Street, such as the northern end of Binney, Gilbert and Davies Streets but also the southern section of James Street.

In addition, this option includes a new Northern Cycling Alignment. Whilst this route uses existing streets, the proposed improvements will create a new connected east-west routes that will use interventions to achieve a low traffic environment complemented by measures such as early release traffic signals for cycles.

**Option 4 (All Phases)** - In addition to all of the projects included in Option 3, this option also includes additional district streets that fall under Phase 3, as marked on the map at Appendix 1. This option will see the full implementation of the Oxford Street Place Strategy and Delivery Plan and its unifying vision, which will act as a catalyst and drive improvements on the ground. A highly collaborative approach to the development of this option will be needed, with funding contribution from external parties.

This option will include major improvements at key location, such as a reinvigorated gateway to the West End at Marble Arch. It will also provide additional and improved areas to rest with seating and shade, upgrade paving and accessibility throughout the district. This option will fulfil the appetite identified from key stakeholders during the public consultation, by having a district wide approach and improving multiple streets and places.

This option also includes a Southern Cycling Alignment, with the implementation of an east west route at the south of Oxford Street, with improved facilities for

cyclist and pedestrians (such as advance stop lines, signalised junctions and crossings improvement).

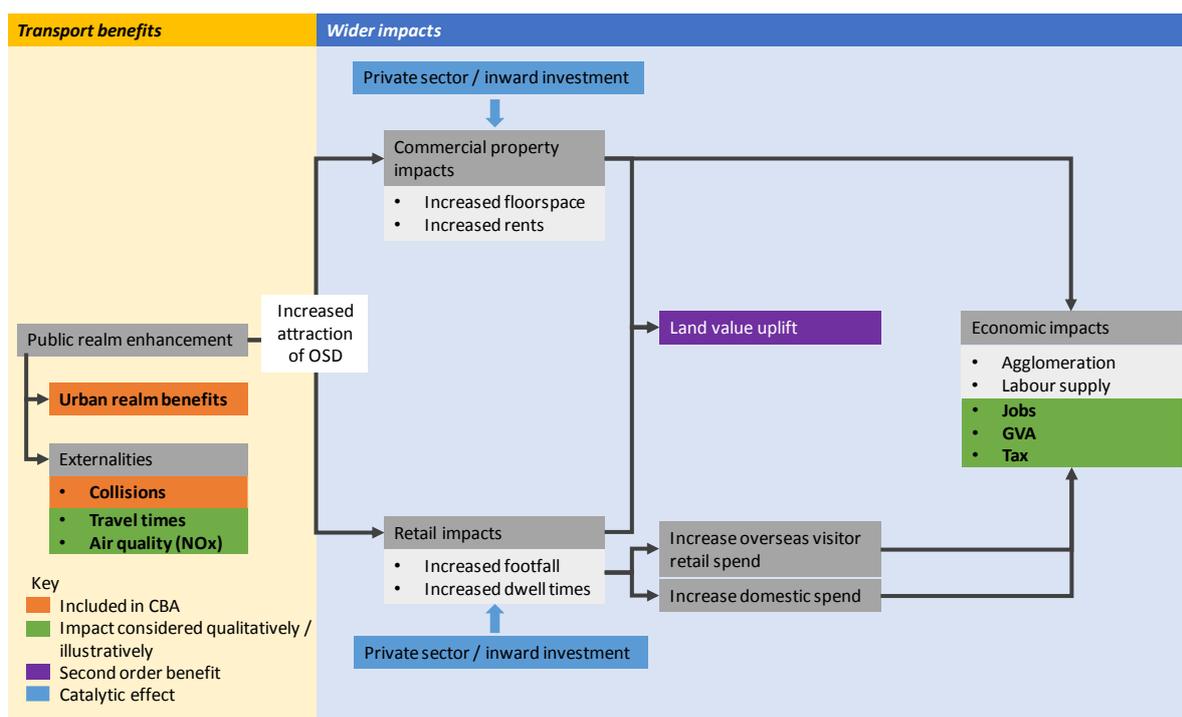
### 3.13 Methodology

The project will deliver direct public realm and transport benefits that will make the area a more attractive and better-connected place to visit and spend time in, especially for pedestrians. These urban realm benefits have been monetised for the Economic Case, along with the benefits associated with a reduction in road collisions. These benefits have been estimated using standard and accepted approaches, prepared in line with Transport for London’s Business Case Development Manual and the Department for Transport’s WebTAG guidance.

As traffic modelling of the business case options is not yet available, highways impacts, bus passenger impacts, and air quality impacts have been assessed qualitatively using professional judgement at this point. However, the detailed work around this is progressing and will form part of the decision making process for approval of work packages and drawdown of further funding.

The transport impacts associated with the project will enable a range of wider economic benefits such as supporting employment and GVA growth in a diverse range of sectors. There will also be benefits in terms of increased tax revenues and land value uplift impacts. As these effects would be indirectly enabled by the project (in conjunction with many other measures, such as planning policy), it would be difficult to robustly attribute a precise portion of these effects to the OSD strategy. Nevertheless, they do form part of the overall economic case, and should be considered within an overall assessment of Value for Money, alongside the cost-benefit analysis. The approach is summarised in the table below.

**Diagram 1: Impacts included in Cost Benefit Analysis**



The economic appraisal has been based on the following key assumptions:

- An opening year of 2023. For the purposes of comparative appraisal, we have employed the same assumed opening year and appraisal period for Options 2, 3 and 4.
- An appraisal period of 30 years from opening. This is consistent with MHCLG appraisal guidance and reflects the likely asset life of the infrastructure;
- Discount rate of 3.5%, in line with the Treasury Green Book and Departmental guidance;
- Values of accidents, value of time and growth in values of time based on DfT's WebTAG;
- An optimism bias rate of 44% applied to the capital cost estimates, in line with DfT guidance;
- All discounted costs and benefits have been converted to 2010 prices and values, in line with DfT guidance; and
- The impacts above are all presented relative to Option 1 (Do Nothing).
- For option 2 there is a cost of c.£100m and for option 3 there is a cost of c.£150m. For option 4 there is a cost of c.£232m – it is assumed that the additional cost above option 3 is funded by the private sector.
- The increased management costs for the district are £3.4m per annum, which is assumed to be externally funded.
- The present value benefits are based on net social benefits (public realm, accident reductions) and private sector funding for capital and other costs. The present value costs are based on public sector funding for capital costs

Various impacts were considered in the Economic Case, as described below:

- TfL's Ambience Benefits Calculator has been applied to monetise the pedestrian and cyclist ambience benefits associated with each scheme. Conservative assumptions have been used, which means that the benefits associated with the district street improvements are likely to be understated. The number of pedestrians affected has been estimated using observed count data, and by taking into account impacts such as the opening of the Elizabeth Line and population and employment growth.
- As traffic interventions included in the scheme have not yet been designed in detail, modelling of the vehicle journey time or bus passenger journey time impacts is not yet completed. However, advisors have assessed based on their professional judgement that Option 2 will displace traffic from Oxford Street. For Option 3 and 4, there is an overall neutral impact on vehicle journey and bus passenger journey times.
- Similarly, our advisors have assessed that Option 2 will have a negative impact on air quality as traffic will be displaced to district streets. For Option 3 and 4, this impact will be neutral, with potential positive impacts for Option 4.
- The reduction in traffic collisions associated with each option is based on a thorough review of collision records and Royal Society for the Prevention of Accidents collision saving forecasts. These reductions have been monetised based on the estimated severity of the casualties saved, to which casualty valuations from WebTAG guidance have been applied.

- Case studies have been used to estimate what the impact of the freight measures included across all options could be. As traffic modelling is still in progress, these benefits have not been monetised.
- Economic impacts such as GVA growth have been discussed qualitatively. Sources such as Arup's *West End Good Growth* and Volterra's *Oxford Street District: An Economic Assessment* have been used to illustratively demonstrate the potential economic impacts of the project.

### 3.14 Cost Benefit Analysis

The costs benefit analysis is demonstrated in the table below.

**Table 1: Appraisal Summary Table**

		Option 2 (Relative to Do Nothing) (2010 PV £m)	Option 3 (Relative to Do Nothing) (2010 PV £m)	Option 4 (Relative to Do Nothing) (2010 PV £m)
	<b>Present Value Benefits – based on Green Book principles and Green Book Supplementary and Departmental guidance</b>			
A	<i>Net social benefits (users)</i>	1,420	1,520	1,790
	<i>Private Sector Costs</i>	-54	-54	-145
B	<b>Present Value Public Costs / (Surplus)</b>	<b>109</b>	<b>161</b>	<b>161</b>
C	<b>Net Present Value [A -B]</b>			
	<i>Net social benefits</i>	1,258	1,305	1,483
D	<b>Benefit-Cost Ratio [A/B]</b>			
	<i>Net social benefits</i>	12.57	9.09	10.15
E	<b>Significant non-monetised impacts</b>	Potentially negative air quality, vehicle journey time and bus passenger impacts	Likely neutral air quality, vehicle journey time and bus passenger impacts Some contribution to achieving employment intensification in a diverse range of economic sectors, increasing GVA and business rates	Likely vehicle journey time and bus passenger impacts; potentially positive air quality impacts Strong contribution to achieving employment intensification in a diverse range of economic sectors, increasing GVA and business rates
F	<b>Value for Money (VfM) Category</b>	Very High value for money	Very High value for money	Very High value for money
G	<b>Switching Values and rationale for VfM category</b>	Very High value for money is achieved, and this remains robust under a range of sensitivity tests	Very High value for money is achieved, and this remains robust under a range of sensitivity tests	Very High value for money is achieved, and this remains robust under a range of sensitivity tests
H	<b>Risks</b>	As analysis of the risks will continue as design progresses. Key financial risks are detailed in section 5		
I	<b>Other issues</b>	Not feasible to implement in isolation, due to unmitigated impacts from displaced traffic and buses	N/A	N/A

### 3.15 *Summary of findings*

The key finding from the economic analysis is that all options represent overall very high value for money based on their economic performance against Option 1. Key points include:

- There is a very strong quantified case for the implementation of all options, with a cost benefit ratio between 9.09 and 12.57. A score greater than or equal to 4 is categorised as very high value for money by the Department for Transport. All options exceed this benchmark, even based on the non-exhaustive range of benefits that have been included in the quantified assessment at this point.
- Conservative assumptions have generally been taken to the quantification of benefits, meaning that the case remains robust even if further detailed work results in changes to some of the input data used. In addition, sensitivity analysis has been undertaken assessing the impact of a 25% reduction in public realm benefits and a delay to project opening of two years. This continues to maintain a positive BCR in each option of more than 7.
- Option 2 however has significant negative non-monetised impact and in practice it would not be feasible to implement the improvements to Oxford Street without undertaking the complementary changes to the rest of the district (that are included in Option 3). This is due to the following reasons:
  - **Buses:** The creation of the piazza areas to the west and east of Oxford Circus would mean that buses divert onto other streets to continue their journeys. Currently the adjacent road network is not designed to accommodate these movements and the diversion routes would be prohibitively long with unacceptable increases to journey times.
  - **Traffic:** Traffic will be displaced from Oxford St and with no mitigation or management of it traffic consultants would expect in increased traffic congestion and the impact of the congestion is likely to be felt on sensitive streets (such as narrow residential streets).
  - More generally, this will not deliver the wider benefits against the programmes objectives. This includes limited impact on improving the reputation of the district; a narrower multiplier and pump priming affect given that both the office and retail markets require good environments to attract and retain talent; less extensive land use changes which are required given the weakening of the retail market; an impact on air quality and also benefits would last for a shorter period of time.

Therefore option 2 needs to be discounted.

- It is clear that both Options 3 and 4 would contribute to maintaining and growing a diverse economy in the district, by enabling (along with other measures) intensification of employment across the district. This has not been quantified, given the difficulty of reliably isolating the contribution that the options would make, but if it were possible to include this impact in the BCR calculations then the value for money case would be even stronger.

- What is evident though is that Option 4 would make a larger contribution compared to Option 3, particularly because it will enable intensification in the outer part of the district, where there is likely to be more opportunity to achieve this. Given that the Outer OSD is generally further away from transport nodes (such as the existing Underground stations and future Elizabeth Line stations), realising the potential of the OSD is particularly dependent on created attractive high-quality links between these transport hubs and the Outer OSD. This is only fully achieved in Option 4, suggesting that the projects included in it will be a key enabler in terms of achieving the levels of jobs and GVA growth suggested by the Volterra economic assessment.
- As traffic modelling is ongoing, certain impacts (including vehicle journey times, bus passenger impacts and air quality) have not been quantified. Based on professional judgement, these impacts are considered to be generally neutral in Options 3 and 4, with a potentially positive air quality impact in Option 4.

There is a clear rationale for implementing option 3, this delivers against the strategic rationale for the programme and has a strong and robust economic performance, delivering very high value for money. The Council's investment of £150m into the district can fund this. But to obtain the maximum benefit for the district the Council should also ensure that private sector funding is secured so that the whole strategy (Option 4) can be delivered. The analysis presented here demonstrates how it would play a key role in improving connectivity across the district, therefore supporting intensification of economic activity where there is the most potential to do so. In conclusion, option 4 is the preferred option, but with the ability for option 3 to be progressed if private sector funding cannot be secured.

## **Commercial case**

### **3.16 Procurement strategy**

To realise the ambition in this high profile and challenging environment, and given the scope of public realm works required, a design and build contract is considered most appropriate. The proposed procurement exercise for the Oxford Street District programme will ensure focus on reaching the best commercial arrangement with a quality service provider of suitable experience and compliance within relevant procurement regulations.

A significant Soft Market Testing exercise was held with potential bidders that included discussion on partnership, sub-contracting, contract packaging, stakeholder engagement, evaluation criteria (Price/Quality ratios) and performance indicators. The intention was to be open and transparent with potential bidders to attract market interest from individual providers or from a consortium of providers and to 'de-risk' the procurement as much as possible from project commencement.

The approach the Council are taking for this procurement is to use the flexibility and allowed negotiation included in the competitive procedure with negotiation (CPN) in the Public Contracts Regulations 2015. This procedure has already been approved is supported by a Cabinet Member report. Other options were considered including procure through existing highway contract and use of construction framework arrangements and routes to market including open, restricted and competitive

dialogue – but this was considered the most appropriate. This procedure is similar to the Restricted route but allows for negotiation as part of the process. This is only applicable where the works or services in question include design or innovation where there are technical, complex, financial or legal matters that require clarification and discussion with the bidders before the contract can be awarded. Negotiation under this procedure is not mandatory.

The Council remains open as to how bidders approach this commercial opportunity whether via Special Purpose Vehicles (SPVs), partnerships or other arrangements. The procurement strategy seeks to drive innovation, creative thinking and a commercial approach that achieves delivery within reasonable timescales and ensures stakeholder management and, particularly public liaison, are of the highest quality.

The contract scope is to deliver Initial Designs, Detail Design stages and the construction of high-quality public realm and highway improvements across the District. The contract will allow the use of specialist sub-contractors who have significant experience in complex traffic modelling, urban design, landscape architecture and architecture.

Given the technical nature and challenging timescales of the procurement, the Council has, via the Compliance and Audit Services contract, retained the services of advisors to prepare the technical specifications, pricing schedules and provide support with the evaluation of the submitted bids. In addition, there is external legal support to the internal legal team.

3.17 **Financial case** – This is covered in the financial implications at section 5

### **Management case**

3.18 *Programme Governance*

Central to the delivery of the Place Strategy and Delivery Plan is robust programme governance. There is a Cabinet Member Steering Group chaired by the Cabinet Member for Place Shaping & Planning and attended by the Cabinet Member for Environment and City Management and the Cabinet Member for Economic Development, Education and Skills. This group meets monthly and will be responsible for approving delivery to commence on work packages, decisions will be formalised through Cabinet Member reports. There is also a project board chaired by the Chief Executive and attended by senior responsible officers which meets weekly.

3.19 *Programme Resourcing*

A programme of this scale and ambition requires a dedicated team of resources across directorates to manage the programme of activity and ensure successful delivery of the many projects outlined in the strategy, an allowance has been included within the programme costs. There will be a combination of senior and experienced individuals performing the client role supported by consultancy input as required which will support the multi-disciplinary nature of the programme. It will be led by a dedicated Programme Director experienced in world class projects. The

approval of the funding outlined in this report will allow the full appointment of the Programme team to commence.

### 3.20 *Implementation timescales*

A phasing workshop provided the basis for the construction sequencing completed, by assigning a delivery phase to each individual project based on traffic management, stakeholder, adjacent scheme dependency and TfL approval requirements. Each project has been included as part of Phase 2 or 3 reflecting the existing Phase 1 works safety and maintenance works already underway.

Several assumptions, detailed below, were made to inform the development of this draft programme.

- Enabling works – No allowance has been made for delays by any of these activities. This does not include projects within the scope considered enabling works themselves for other parts of the scheme.
- Feasibility Design of the OSD scheme has started, with Preliminary Initial Design to commence from Spring 2019;
- Projects have been scheduled as per agreements and discussions made following a several phasing workshops undertaken in November 2018 including input from WCC and other project partners. The phasing assignment is driven by a combination of traffic management delivery priorities as assessed by traffic consultants, priority assessed as part of the Place Strategy, also considering key WCC or stakeholder priority projects as noted during the delivery review. Individual projects have subsequently been assigned to prospective phases based on a combination of safety, traffic and pedestrian comfort levels;
- Construction works are assumed to commence in Autumn/Winter 2019;
- Construction works are assumed to occur on weekdays only (i.e. no night or weekend works);
- Works would be suspended during Westminster City Council’s Christmas moratorium period (which has been assumed as a 4-week period from early / mid-December until early January each year)
- No allowance is presently made for design, contracting or street access capacity although it is recognised this may provide constraints on schedule and will require review as the programme advances.

The table below provides an overview of the implementation timescales:

<b>Project Stage</b>	<b>Dates</b>
Cabinet presented with the results of the consultation and updated Place Strategy and Delivery Plan	18 <sup>th</sup> February 2019
Cabinet business case - £150m investment	8 <sup>th</sup> April 2019
Design development	April 2019 onwards
Stakeholder engagement	April 2019 onwards
Traffic modelling completion	June 2019
Traffic model audit by TfL	July 2019
Traffic Management consultation to commence	September 2019
Phase 2 delivery to commence	Autumn 2019

The project has multiple constraints and inter-dependencies as it is arguably the most complex city centre transformation project in the United Kingdom. There are also various dependencies for the project, with the key ones being; the reduction of the volume of buses on Oxford Street and traffic volume in general, the coordination of all highways and construction schemes across the wider West End to minimise disruption for all users, and the ownership complexity of the area. These will be actively managed by the project team to prevent delays in delivering the project.

### 3.21 *Communications and Stakeholder Management*

The positive engagement with key stakeholders including residents, land owners, BIDs and the business community will continue and they will be encouraged to contribute to the design process via working groups that will be setup and will be focused on the projects within zones or groupings of zones that are relevant to them. These zonal working groups would be encouraged to input into the development of the design process. Engagement with local stakeholders will take place throughout the design and delivery of the projects.

A broad range of communication activities have been and will continue to be used to raise awareness of the Place Strategy and the related delivery including:

- Media coverage in the national, regional, trade, local and community media;
- Regular social media activity and posting across all WCC channels;
- Working with local and community organisations to promote the project through their channels and newsletters;
- A dedicated website which will be kept up to date with the latest information to help keep stakeholders up to date ([www.osd.london](http://www.osd.london));
- Information about the project will be included in council publications, such as the My Westminster newsletter; and
- Regular e-newsletter updates.

### 3.22 *District Management*

There has been substantial feedback that the ongoing management of the district to the desired standard is of high priority for stakeholders. It is vital that there is world class management to reflect the transformation of the district and to best exploit sustained investment in the area.

The Council is committed to maximising the use of existing resources, utilising technology and influencing the public realm design to ensure efficient maintenance. The key areas of focus will be:

- **Intelligence and insight** – There is a plethora of data collected within the Oxford Street District area from air quality to pedestrian counts however the active use of this data is limited. The aspiration is that this data is brought together and shared with all key partners to enable predictions of hot spots of activity and therefore allowing resources to be flexed in line with demand.
- **Improving safety and security** – It is important that resources utilised across the district have a multi-disciplinary focus which includes engagement, compliance, enforcement, ambassadorial as well as enforcement. To note there

will need to be different regime of management during the transition period as this will bring with it unique challenges during the delivery phases.

- **Improving the environment** - There is a key role of design in ensuring that the area remains clean and provides a pleasant experience for all visitors. For example materials will be utilised that reduces maintenance and management requirements.
- **Engagement** - Cultivating a sense of shared-ownership will be an important part of sustaining improvements to the district and can form a cost-effective, lower maintenance management approach to the upkeep of public spaces. The ambition is to encourage proactive engagement through fostering a sense of joint ownership and pride of place, rather than necessarily through compliance and enforcement. This will, help to create a distinct personality and generate a strong relationship between people and place.
- **Animation and activation** – To utilise the space to the best affect it is important that the space is animated and activated for key activities. There needs to be a dynamic and flexible use of the space to attract visitors and tourists and therefore positively encouraging investment into the area, whilst carefully balancing the amenity for local residents.

This is not totally within the Council’s control. No single agency can achieve the aspirations and therefore it is important that there is a partnership approach to district management with key stakeholders such as the Metropolitan Police, major land owners, the New West End Company Businesses Improvement District, and businesses, working closely with local residents. Some of the challenges experienced in the area are outside of the Council’s control and therefore there will be an ongoing need to lobby central government to address the root causes. Also, there is the funding element that remains a challenge as outlined at section 5.5 and 5.6.

### 3.23 Risk management

The key risks of the programme are outlined in the table below. These are being actively managed by the programme team:

Risk Category	Risk	Mitigation Actions
Procurement	Procurement work stream delivery timeline - new contractor in place by Autumn 2019	Close liaison and adequate resources across departments to ensure this work stream progresses according to the proposed programme.
External approval	Crossrail delays impact on the place strategy	Officers in regular contact / engagement with Crossrail delivery team and are being updated on progress.
Design	Workstreams such as freight/services and street trading do not progress and the inhibits delivery of the Strategy	Project team to evaluate the need for an area study Resources proposed to help deliver this workstream Close liaison between the project team and relevant departments

Utilities (water, electricity, gas, BT, comms)	Shallow services are regularly encountered throughout Westminster and Central London. These may impact on installing gullies and foundations to lighting columns, greening, posts, gullies, bollards requiring redesign or further utility works	Coordination of design development with utility companies. Contractor to coordinate for the stages they are commissioned to deliver for each work package.
Utilities (water, electricity, gas, BT, comms)	Existing services are found to be damaged during the works - requiring protection, reconstruction or other works. Costs for protection and diversion of existing services will not be known until the relevant quotations are obtained.	Contingency and risk allocations included in the budget to cover unexpected costs
Other Works	Progression of works may be impacted by applications from third parties to carry out works	All works applications in the Oxford Street District to be considered by the Council for the potential impact on the project
Other Works	Works may be hindered by existing scaffolding, diversions, suspensions, closures, access requirements	Close engagement with neighbouring schemes Include as much information as possible in the contract documents
Other Works	Impact on neighbouring schemes on proposed works	Close engagement with neighbouring schemes Include as much information as possible in the contract documents
Management	Lack of funding for the management plan which will impact the long term operation of the strategy	Working group already setup which includes representation from across WCC departments. Revenue element to form part of the funding strategy

See section 5.7 for financial risks.

#### 4. Reason for Decision

- 4.1 The Council's commitment to the Oxford Street District is to create a long term and ambitious vision for the whole of the district that will strengthen its world-renowned status as a great place to live, work and visit. This strategy will support that ambition and respond to the big challenges that the district faces, including: a rapidly evolving retail environment; a place that can cater to a greater number of people; providing more attractions; and for Oxford Street to be a better neighbour to the wider district, including the residential neighbourhoods. In the wake of strong competition from national and international retail destinations, increased online shopping; increased business rates; and interest rates, retailers and businesses in the district are finding the trading environment very challenging.
- 4.2 The business case provides a compelling rationale for the Council to invest in the area to ensure that it retains its status as the nation's high street, a world-renowned destination for domestic and international visitors, characterised by vibrant and historic neighbourhoods. On 6<sup>th</sup> March 2019, full Council approved the Capital Strategy including allocation of c.£150 million towards the delivery of the final adopted Place Strategy and Delivery Plan. The programme now needs approval to spend against the budget in order to progress. The Council will take responsibility for delivering an ambitious set of projects that will help to bring about

a significant change to counter some of the external factors that the district currently faces. Additional funding to support the delivery of the projects listed in the Place Strategy will be required from other external sources.

## 5. Financial Implications

### 5.1 Capital Costs

As detailed in the business case there are three phases. Option 3 covers phases 1&2, option 4 covers phases 1, 2 and 3 (option 1 & 2 have now been discounted)

- Phase 1 involves immediate maintenance and safety related works
- Phase 2 involves delivery of proposed changes to Oxford Street, plus any related enabling works that will need to take place across the district streets.
- Phase 3 involves work on the wider Oxford Street District to deliver the strategy in full.

The estimated costs are demonstrated in the table below:

**Table 5.1 – Programme costs**

Area	£m Phase 1	£m Phase 2	£m Phase 3	£m Total
Construction	3.0	75.6	43.9	<b>122.5</b>
Utilities Costs	-	11.3	6.6	<b>17.9</b>
Professional Design and Survey Costs	-	11.3	6.6	<b>17.9</b>
Client, Management Costs	-	6.7	3.4	<b>10.1</b>
Indexation	-	10.9	2.7	<b>13.6</b>
Risk & Contingency	-	34.2	19.1	<b>53.3</b>
<b>TOTAL</b>	<b>3.0</b>	<b>150.0</b>	<b>82.3</b>	<b>235.3</b>

The outline cost estimate shows an indicative total project cost of £235.3m (£232.3m excluding phase 1 which is funded separately) to complete implementation of all elements of the programme on presently available information and assumptions (outlined below). Of which option 3 costs £150m (plus an additional £3m for the immediate maintenance and safety related works).

### 5.2 Assumptions

An outline costing for the project has been undertaken. Alongside this, an indicative implementation phasing plan has been developed based on location, priority and scale of works to produce an estimated spend profile for the works. Cost estimates are currently at a high level, these will continue to be refined as the design phases progress.

**District wide projects** - Outline cost estimates for district-wide projects beyond Oxford Street itself have been developed using existing areas of footway and carriageway area combined with the potential level of intervention indicated by the Place Strategy and subsequent workshops. The areas covered by the projects

noted in the Delivery Plan have been used to calculate the potential costs to deliver these projects.

As the projects are at an early stage of design, an indicative costing scale has been applied. These provide a rate per m<sup>2</sup> of footway for high, medium and low levels of intervention:

- High (Significant or Major public realm project) = £900/m<sup>2</sup> – For example, new pedestrian spaces or key walking routes, including new trees and / or street furniture. Allows for granite paving and kerbs, bespoke lighting, significant tree and street furniture intervention.
- Medium (Streetscape enhancement) = £700/m<sup>2</sup> – For example, a mixture of granite or Yorkstone paving and kerbs, bespoke lighting, some tree and street furniture intervention
- Low (Minor alterations) = £500/m<sup>2</sup> – For example, Yorkstone paving and kerbs, bespoke lighting.
- Do minimum / traffic operation change = £225/m<sup>2</sup> – Low intervention – for example minor interventions to facilitate traffic operation changes

**Northern and southern alignments** - In line with the latest concept proposals, the northern and southern cycle alignments have been costed using the same approach as for the district streets, assuming a 'do minimum / traffic operation change' level of intervention to footways plus carriageway resurfacing.

### Other assumptions

Category	Assumption
<b>Utilities</b>	An allowance of 15% on the construction costs has been included in the costing estimate for utilities. This is commensurate with allowances that WCC make in their estimates at this stage of project development.
<b>Professional design and survey costs</b>	An allowance of 15% on the construction costs has been included for professional fees, surveys and other costs associated with the development and implementation of a design. This is commensurate with allowances made by our advisors in previous business case exercises and allowances that TfL make in their estimates.
<b>WCC staff and professional costs</b>	Allowance for Westminster City Council staff and professional costs is included at £10.1m based on the total estimated design and construction value. Also included in this amount for phase 2 is the approved funding for development of the Place Strategy.
<b>Indexation</b>	The base date of the Oxford Street District Project Estimate is FY 18/19, with an 8.2% indexation added to construction, utilities and design costs (reflecting the 2014 start date for Westminster's existing Highways Services Contract). Future inflation is applied at an estimated 2% for each subsequent financial year. Indexations applied on a projected spend forecast which will require review as the scheme develops further and both costs and phasing are revisited.

<b>Risk and contingency</b>	A Quantitative Cost Risk Assessment (QCRA) has yet to be carried out. An assumed allowance of 10% risk and 20% contingency of the combined construction, utilities, design, and surveys and indexation has been included. This is commensurate with allowances made by WSP in previous business case exercises and allowances WCC make in their estimates when a scheme is at this stage of design and business case development.
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### 5.3 Approvals required

The project to date has approval to spend £2.5m for developing the Place Strategy and Delivery Plan and progressing the scheme to a Business case. This included costs in relation to the consultation, surveys and design work. This spend has been fully committed hence the requirement for a further approval of £21m.

**Table 5.2: Approvals required**

Category	£m
Professional Design and Survey Costs	11.3
Client, Management Costs	4.7
Risk & Contingency (30%)	4.8
<b>TOTAL</b>	<b>20.8</b>

In addition, there has been approval of £3m for the delivery of phase one for maintenance and safety related works on Oxford Street.

### 5.4 Capital Funding

To complement the cost estimation, the identified works associated with the Oxford Street District scheme have been reviewed to develop an indicative construction phasing profile, developed based on a series of assumptions plus input from WCC and project partners.

The Council has capital funding of £150m as approved by full Council on 6 March 2019 as part of the Capital Strategy Report. This has also been approved at project level by Cabinet on 25<sup>th</sup> February 2019 subject to the approval of a business case. This is sufficient to fund option 3 of the business case. The expected profiling of costs against the budget is demonstrated in the table below:

**Table 5.3: Phasing and funding overview**

Year £m	2018/19	2019/20	2020/21	2021/22	TOTAL*
Capital budget as per Capital Programme	2.5	27.5	80	40	<b>150</b>
Estimated Capital Cost	2.1	27.9	80	40	<b>150</b>
<b>Net Surplus/(Deficit)</b>	<b>0.4</b>	<b>-0.4</b>	-	-	<b>0</b>

\*There is also a £3m budget in 2019/20 for Safety and Maintenance related issues on Oxford Street (Phase 1). This is not included in the above.

To note of the £150m, £15m will be funded from the infrastructure reserve, with the remaining being funded from General Fund resources.

The cost to deliver the full strategy will exceed the Council's budget allocation of £150m therefore funding will need to be secured from external stakeholders to support the delivery of the Place Strategy.

**Table 5.4: Funding of Option 4 (delivery of full strategy)**

	£m
<b>Total project cost</b>	<b>232.3</b>
Less approved capital programme allocation	-150
<b>Net funding required from external parties</b>	<b>82.3</b>

This gives a funding shortfall of c.£82m to deliver every proposal in the Place Strategy and Delivery Plan. This is expected to be funded from the private sector and there have been initial and constructive discussions with a number of stakeholders.

**Note the Council's allocation of funding against phase 2 is indicative – further detail is provided below.**

Ongoing maintenance costs will be funded out of the annual Planned Preventative capital budget. The call on this budget will be less than Option 1 'do nothing' scenario however design of the street is important to ensure that the call on the Council's capital budgets are minimised.

## 5.5 Sources of Funding

The council's ambition is unambiguously to deliver option 4 which delivers the full Place Shaping Strategy. It is well understood that residents and businesses feel that improving just Oxford Street is not enough.

The Council's capital expenditure £150m will be initially directed to fund option 3 of the business case, which focuses on the major changes to Oxford Street itself and the required enabling works in the surrounding district that will support the world class improvements along its entire length. This commitment provides assurance to potential funders that real change will be taking place and will act as a catalyst to generate significant additional investment from the private sector. But in order to generate the additional funding required to do all the planned district wide work, it is necessary to begin by focusing the council's funds where it will have the most impact, which initially means the length of Oxford Street and its immediate environs.

However, the council is confident that this clear commitment would draw in new and additional private funding that will allow the council to quickly refresh and update its programme as to where it plans to spend its money. For example, private investment that comes forward for certain locations on Oxford Street, that supports the delivery of the strategy, will mean that the portion of the council's £150m that was to have been spent there can be swiftly redirected and reapportioned elsewhere across the district.

It is also important to note that works proposed for phase two and three could also run in parallel, dependent upon the additional partner funding that is raised so that improvements can start to be felt district wide. The council's programme will also integrate with other public realm projects and work undertaken by third parties in the district. The project team are liaising with these delivery partners and will ensure the high level of coordination continues during all phases of the delivery of the strategy. As a result, there will be an ongoing and transparent review within the projects governance structure of the funding profiling of projects and the proposed delivery timetables to ensure that the most effective and efficient use is being made of all the funds, private and public, that come on stream through the lifetime of the project.

As indicated in the section 3.13 there may be some increase in rateable area and the investment is likely to result in more intense use of the existing space and increases in land values leading to business rates revaluation growth which the Council could financial benefit from but it is difficult to quantify the benefit at this stage because of the expected reform of business rates retention.

It is acknowledged that there are challenges with attracting external funding:

- Funding is required for both capital and revenue elements
- The current economic climate linked to uncertainty around Brexit as well as challenges for High Streets across the country as consumers are increasingly choosing online avenues
- There is fragmented land ownership particularly along Oxford Street itself
- High business rates in the area and BID levies resulting in businesses perceiving investment should be funded via these income streams. Business may conclude that investment will happen with or without their contribution

To address these, a comprehensive funding strategy is in development and this will set out an approach that will form the basis of a detailed and integrated implementation plan. The key elements proposed to provide additional capital and revenue funds to deliver the strategy and ensure the district is well managed and maintained are below:

- i. Seek partner contributions through a targeted programme of engagement about funding for specific schemes and locations as well as ongoing management costs.
- ii. Lobby for financial freedoms to generate additional resources for the City Council
- iii. Horizon scan for new funding opportunities from public and private sector

## 5.6 *Revenue costs*

The revenue financing costs in relation to the investment are c£9m per annum. This consists of Minimum Revenue Provision (MRP) and interest costs. MRP is based on 30 year useful economic life (UEL). This is thought to be an accurate estimate of the UEL because there will be a strong focus on ensuring longevity during the design process, this is also consistent with MHCLG appraisal guidance and reflects the likely asset life of the infrastructure given the significant

investment. This is fully budgeted for as part of the capital programme. This expenditure represents c.6% of the Council total capital programme.

There have been recent improvements in the management of the area, this includes the multi-agency district team, improved highways maintenance, emerging street entertainment policy and improved street cleaning.

Throughout the consultation process there has been clear feedback that more resources are required for the Oxford Street District given the challenges, which will be exacerbated by the opening on the Elizabeth Line. Indicative assessments have an estimated an additional cost of £3.4m per annum which covers increased service delivery of highways cleaning and maintenance; park security and maintenance; management and upkeep of public realm such as planters; HVM asset management; improved rough sleeping service; and enhanced multi-skilled team to include city inspector, enforcement and engagement elements.

However, the Council has fully committed its revenue funding to the area and therefore additional resources and funding are needed. This will require input and collaborative working with private sector partners as well as the active engagement of those who live, work and visit the area.

#### 5.7 *Key financial risks*

A risk register has been produced for the Oxford Street District project, identifying the key risks and providing an assessment of probability and impact against each risk. Consideration has also been given to appropriate mitigating actions.

As part of the Oxford Street District Place Strategy and Delivery Plan a number of projects are referenced. As outlined above the delivery of the strategy will exceed the Council's £150m budget allocation and therefore funding will need to be secured from external parties. It is acknowledged that in the scenario some private sector funding is secured, but not sufficient to cover the delivery of option 4, the Council will review the projects and fit these within the funding envelope available. In addition, revenue funding is required to deliver high quality management of the district. An inability to secure funding will mean that the Oxford Street District will continue to face challenges and lose ground against its competitors.

The projects are at varying stages of development with some at an early concept stage, an understanding of how and when these will be delivered, and the cost associated with these will be an iterative process. As this is a Design and Build contract once the contractor is procured they will work alongside the project team to fully work these up. There may also be additional costs linked to proposed design changes impacting on existing utilities which require diversions. Providing a clear scope on a project by project basis will prevent cost increases and ensure value for money however, contingency and risk of 30% has been allocated to cover unexpected costs.

In addition, a key risk for the project is resourcing for all stages of the project including modelling, design and construction. A team structure has been

developed and recruitment will progress once approval for further funding drawdown, as part of this report, has been approved.

## **6. Staffing Implications**

6.1 Staffing implications are outlined at section 3.12.

## **7. Legal Implications**

7.1 The Director of Law has considered the report and does not have any legal comments.

## **8. Consultation**

8.1 There has been full and thorough consultation on Oxford Street District programme internally and externally to the Council. Consultation has taken place with stakeholders throughout the process including ward members, residents, businesses, land owners and BIDs. The results were acknowledged by the Cabinet at its meeting on 25<sup>th</sup> February 2019.

## **9. Equalities Implications**

9.1 Equalities implications have been considered. There are no equalities implications in relation to this report and the recommendations proposed. Each phase of the project will have an EQIA carried out as part of the design process.

## **Appendices**

Appendix 1 – Business Case

Appendix 2a – Map outlining the options

Appendix 2b – Project summary by option

## **Background Papers**

Oxford Street District – Project Approach, Cabinet Report and Decision, 9<sup>th</sup> July 2018.

Cabinet Member Report – Oxford Street Phase 1, 5<sup>th</sup> October 2018.

Cabinet Report – Capital Programme 2019/20 to 2023/24, 15<sup>th</sup> October 2018.

Cabinet Member Report – Oxford Street District, Procurement Strategy, 16<sup>th</sup> October 2018.

Cabinet Report – Oxford Street District, Public Consultation on the Draft Place Strategy and Delivery Plan, 25<sup>th</sup> October 2018.

Capital Programme – March 2019

Cabinet Report - Oxford Street District – Place Strategy and Delivery Plan Consultation Results and Updated Strategy – 25<sup>th</sup> February 2019

For further information regarding this report please contact the Oxford Street District Team on [oxfordstreetdistrict@westminster.gov.uk](mailto:oxfordstreetdistrict@westminster.gov.uk)