

Oxford Street and Oxford Circus Projects

Full Business Case

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Prepared by:
SYSTRA
One Carey Lane
London
EC2V 8AE
SW1E 6QP

Prepared for:
Westminster City Council
City Hall
64 Victoria Street
London

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1. Executive Summary

Westminster City Council (WCC) is committed to becoming a net zero city by 2040 and adapting its built environment to be more resilient to climate change. One of the key ways it will deliver this is through the creation of more sustainable high streets which for the Oxford Street project involves improving its carbon impact through design and construction. This includes considering the impact of material selection and sourcing, greening, drainage and providing the conditions to encourage active modes of transport.

WCC will support the recovery of Oxford Street through traffic interventions and public realm enhancements, including the redesign of Oxford Circus. Investment in these projects is intended to arrest decline through the creation of a more accessible, comfortable, and attractive space, and improving visitor and investor perception. The vision for these projects, while ambitious, has a defined scope focused on environmentally sustainable, physical changes in the public realm supported by robust management post-construction.

It is expected that these interventions will unlock the full potential of this iconic street and provide the canvas upon which council and local initiatives can be galvanise, such as sustainable economic development, active travel and greener neighbourhoods that encourage residents, businesses and visitors to engage with and support the net zero agenda.

This document is a Full Business Case (FBC) which outlines the importance of the proposed projects and confirms that they are good value for money, considering direct and indirect benefits. This appraisal is done with reference to the strategic, economic, commercial, financial and management cases and an identified “Business as Usual” (BAU) option, which is the result of proceeding without delivering the identified proposals.

1.1 Why are the projects needed?

Importance of Oxford Street and Oxford Circus

Oxford Street, the heart of London’s West End, is the local high street for Westminster’s residents, the nation’s economic engine and an international tourist destination. In 2019, the Oxford Street area¹ generated approximately £22.75 billion in Gross Value Added (GVA) annually².

As a leading iconic retail destination visited by millions year after year, Oxford Street and its offer, as well as that of its surrounding area, are diverse. It boasts flagship stores for established brands such as Selfridges and John Lewis, and is home to diverse leisure, cultural and creative enterprises. The concentration of employment is estimated to be higher than that of London and the rest of the country, with the office sector playing a key role to the local ecosystem.

This blend of retail, cultural, commercial and leisure opportunities scattered throughout charming residential neighbourhoods of a European megacity is uniquely significant because:

¹ Estimated using MSOA Westminster 011 and Westminster 013

² ONS 2021, UK small area GVA estimates for more information refer to Appendix B)

- of its high concentration of retail, hospitality, and professional service employment³;
- it attracts approximately 200 million visitors annually⁴;
- it is ranked one of the top shopping destinations in Europe based on recorded footfall⁵; it generated £22.75 billion of Gross Value Added (GVA) in 2019⁶.

The Oxford Street area contains distinct, historic, and residential areas such as Fitzrovia, Marylebone, Mayfair and Soho, whose character and vibrancy is matched only by their residents’ pride for their local neighbourhoods.

Recent and Ongoing Challenges

Oxford Street’s success is at a crossroads, and it faces significant challenges that must be urgently tackled to retain and enhance its status. These recent and ongoing challenges include:

- climate change and the sustainability and resilience of high streets including Oxford Street;
- increasing competition from online retail and large retail complexes like Westfield;
- escalating business costs;
- the legacy and recovery from the Covid pandemic⁷;
- poor-quality public realm and associated negative perceptions of Oxford Street as a place to visit⁸; and
- bottlenecks in the transport network, such as Oxford Circus, which consistently experiences some of the highest demand across the London Underground⁹

1.2 What do the projects involve?

The projects seek to address aforementioned challenges including the poor-quality public realm and bottlenecks in the transport network.

Figure i presents an overview of project scope which includes:

- **Oxford Street** – Create a high-quality public realm that includes natural stone paving, future-proofed lighting columns, additional greening, security measures and more seating. Fundamental to the design process including material selection and maintenance is carbon impact and supporting environmental sustainability. On certain junctions with side streets, thematic agoras will be introduced to provide gathering and resting spaces.
- **Oxford Circus** – Re-design the junction to streamline vehicle and pedestrian movements, reduce waiting times and delays to both and provide more pedestrian space to better accommodate the high levels of footfall. Security measures at the Circus will also be accommodated.

³ Oxford Street area (based on two local MSOAs) has a significantly higher job density than Westminster, London and Great Britain (see Appendix B/Table 1)

⁴ <https://www.westend.com/oxford-street/>

⁵ BNP Paribas: Pan European Footfall analysis 2021-2022

⁶ £22.75bn in 2019 represents over 30% of Westminster’s total GVA and 5% of London’s GVA

⁷ During the height of the pandemic, Oxford Street was the worst affected high street across Europe with footfall declining 71% between March 2020-2021 (<https://www.retailtimes.co.uk/oxford-street-most-impacted-by-covid-19-among-major-european-high-streets-mytraffic-shows/>)

⁸ Various public surveys have highlighted perceptions that Oxford Street is “overcrowded” and “overwhelming”

⁹ Oxford Circus demand is consistently in the top 4 of all London underground stations (2012-2021) (with the exception of 2020 which was significantly impacted by Covid (source: TfL Station Usage Data))

The Oxford Street project’s delivery is predicated on third parties contributing 50% of funding for design and construction, and ongoing management and maintenance of interventions including waste, cleansing and landscape maintenance. The aspiration is to maximise external funding up to the value of £25m to also deliver Oxford Circus. This will be achieved through collaboration with external partners.



Figure i. Oxford Street and Oxford Circus Project Extents

1.3 What are the project outcomes?

The vision for Oxford Street is to:

Ensure that Oxford Street is a great place for shoppers, tourists, workers and local residents through the creation of a dynamic and sustainable environment and an enhanced public realm that strengthens the global status of the street.

The projects are expected to deliver benefits across a number of themes, including supporting the Council’s net zero carbon and social value ambitions, which are outlined below. The designs for the Oxford Street and Oxford Circus projects are under development and, therefore, the assessments are based on information currently available.



To create a **fairer environment**, the Oxford Street Programme seeks to support achieving a net zero city by 2040. This means building resilience by reducing carbon emissions of the proposed projects throughout the design and construction process. The improvements seek to enhance biodiversity through tree planting and greening in consideration of species selected. This greening will provide shade, reduce the urban heat island effect and support the existing ‘Wild West End’ network, which stepping stones for fauna between green spaces.



Both projects will **improve the quality and perception of the public realm** and make it more pedestrian friendly through wider pavements and crossings, additional greening and security measures, and the provision of agoras in selected side streets to enhance dwelling spaces. At Oxford Circus, the re-designed junction will reduce delays for pedestrians and vehicles, generating journey time benefits for all users.



Gross Value Added (GVA) through **additional retail spend, construction and retail employment**. Both projects’ construction phases will enhance their social value by creating employment through direct construction jobs and indirect jobs in the wider supply chain, along with additional retail jobs. The improvements will help support the post-pandemic recovery of footfall, which will encourage more visitors and consequently more spending in the local economy.



Reduced collisions – both projects will improve crossings and provide more space for pedestrians, which will reduce the conflict between motorised and non-motorised users. At Oxford Circus specifically the pedestrian footway space is expected to increase by 40% which will assist in accommodating peak footfall.



The improvements include wider pedestrian crossings, longer green signals for pedestrian crossings and more frequent formal crossing points. This will reduce the width of the carriageway and the dominance of motorised vehicles in the area, which will also help **reduce the conflict between non-motorised users and motorised users**.



Land and rental uplifts – while not monetised, it is likely that alongside additional retail spend, landowners and business in the area will benefit as the projects enhance the area’s attractiveness. This will help reduce vacancy rates and increase competition in rental and market values.



Re-designing Oxford Circus will reduce standstill traffic, cut down delays for motorised vehicles (including private vehicles, taxis and buses), and **help improve localised air quality** and fuel consumption.

1.4 Is the project a good investment?

Whether or not a project makes a good investment can be assessed by evaluating:

- the costs of implementing the project (including short term construction costs and medium- to longer-term costs such as operation and maintenance) against
- the benefits that the project would be expected to deliver.

Comparing the costs against the benefits is used to inform a ‘value for money’ (VfM) assessment. VfM is calculated in the Economic Case (see Section 4) with reference to the Benefit Cost Ratio (BCR). In consideration of the costs and benefits, a BCR can show the likely return on the investment (i.e., for every £1 invested, how much is received back in benefits).

Table i. Overview of costs and benefits (in 2010 prices¹⁰)

	Oxford Street	Oxford Circus
	Total	Total
Journey Quality	52,937m	6,985m
Collisions	35,776m	3,066m
Economic Efficiency: Consumer Users (Commuting)	-	9,067m
Economic Efficiency: Consumer Users (Other)	-	10,019m
Economic Efficiency: Business Users and Providers	-	0.70m
Direct Job Creation (GVA)	18,642m	7,975m
Indirect Job Creation (GVA)	18,623m	7,975m
GVA Increase from Visitor Spending	135,819m	-
GVA Increase from Visitor Spending - Additional Job Supported	7,864m	-
Total Present Value of Benefit (PVB)	269,661m	45,148m
Present Value of Cost (PVC)	61,535m	17,127m
Net Present Value (NPV)	208,127m	28,022m
Adjusted Benefit Cost Ratio (BCR)	4.38	2.64
Value for Money Category	Very High	High

¹⁰ Presented in 2010 prices for consistency with the economic case (as per industry standard for business cases with a transport component).

A BCR of greater than 1 indicates that the benefits outweigh the costs. VfM is assessed by the Department for Transport (DfT) using the following categories:

Poor (BCR 0-1)	Low (BCR 1-1.5)	Medium (BCR 1.5-2)	High (BCR 2-4)	Very High (BCR >4)
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The use of a BCR and VfM category is a standard approach used by the DfT to ensure consistency across the appraisal of schemes and to allow for direct comparison. Table i. above shows the costs and benefits, BCR and value for money (i.e., the expected return on money invested) for Oxford Street and Oxford Circus. For Oxford Street, the return on the investment is “very high” (£4.38 for every £1 invested), while the return on the investment for Oxford Circus is “high” (£2.64 for every £1 invested). When considering the other non-monetised benefits, the value for money delivered would be even higher for both Oxford Street and Oxford Circus.

To demonstrate the robustness of the Economic Case, the impact on benefits, costs and value for money has been tested under different scenarios and assumptions. This includes:

- The impact of the Oxford Circus construction on scheme costs
- 30-year appraisal period – the core scenario assumes a 20-year appraisal period (60 years for accident and journey time benefits).
- High economy (optimistic) scenario, incorporating a 10 percentage point increase in footfall uplift (to 38.36% up from 28.36%) and a £100 average visitor spend (up from £75).
- Low economy (pessimistic) scenario, incorporating a 10 percentage point decrease in footfall uplift (to 18.36% down from 28.36%) and a £50 average visitor spend (down from £75).

The conclusion of this exercise is that there is a no significant impact on the adjusted BCR with the value for money exhibiting high value for money for the total amount to be invested in the projects.

Discussions are underway with third parties regarding funding for Oxford Circus, with an expectation of a minimum 50% third party funding. For the benefit of the business case costs it has been assumed that the costs for this project are to be solely covered by WCC.

A detailed technical summary is provided in Appendix A.

The Council has calculated that the Oxford Street Programme (OSP) is estimated to emit 46,749 tonnes of carbon emissions (CO₂e) using its Carbon Impact Evaluation Tool. This is a high-level estimate due to the programme being at an early stage however, the methodology used to calculate this is consistent with CO₂e estimates for other council projects. Despite the inability to prepare a more accurate carbon calculation given the stage of scheme design, it is expected, like other construction-related projects, that they could have a considerable overall emissions impact. This calculation will be refined and updated as design progresses to provide more accurate carbon emissions estimates.

2. Introduction

2.1 Overview

Stretching 1.5 miles from Marble Arch to Tottenham Court Road, Oxford Street is an internationally recognised retail and leisure destination. As the ‘the nation’s high street,’ it is economically significant. It attracts 200 million visitors annually,¹¹ and in 2019, it generated £22.75 billion of Gross Added Value (GVA)¹².

However, wider trends¹³ threaten to dull the British economy’s crown jewel and national icon. Flagship retail stores have closed recently¹⁴ and visitor footfall remains lower than its pre-Covid pandemic levels¹⁵. Property experts Savills predicts that Oxford Street, “is on the brink of a ‘generational change,” with a strong potential for the conversion of former retail space to offices¹⁶.

Oxford Street is widely perceived as being “too busy” or “overcrowded”¹⁷, without enough space for visitors to move through and socialise, particularly at peak times. Consequently, there is conflict between motorised vehicles and non-motorised users, which further discourages people from travelling using sustainable transport modes, such as walking and cycling.

Given this context, the need for investment in the public realm to arrest decline, attract visitors, connect neighbourhoods and other public spaces, and encourage people to walk or cycle cannot be understated. Public realm improvements have potential to drive economic success, improve local areas’ resilience to the impacts of climate change, and support people’s health and wellbeing. They can create environments where people enjoy spending time and help areas to thrive¹⁸ and support accessibility and diversity. Recognising how the public realm shapes people’s experiences of Oxford Street, Westminster City Council (WCC) is investing in the Oxford Street Programme (OSP).

2.2 Programme Background

In 2022, WCC undertook a review of its Oxford Street District Programme. Originally developed in 2019, the Place Strategy and associated Delivery Plan for the Oxford Street District comprised 37 projects focussed on facilitating improvements for residents, visitors, and workers across the district.

¹¹ <https://www.westend.com/oxford-street/>

¹² £22.75bn in 2019 represents over 30% of Westminster’s total GVA and 5% of London’s GVA

¹³ Increasing retail competition (e-commerce, local competitors such as Westfield Shopping Centre) and significant business costs (rents, business rates and operating costs)

¹⁴ Many flagship stores (including Topshop, Debenhams and, House of Fraser) have closed in recent years; <https://www.retailgazette.co.uk/blog/2022/04/in-pictures-oxford-street-before-and-after-the-pandemic/>

¹⁵ Comparing the period January-August 2022 visitor footfall was recorded 35% lower than same period in 2019; New West End Company (NWECC) local data counters for two sites on Oxford Street

¹⁶ <https://www.savills.co.uk/insight-and-opinion/savills-news/336024/diversification-of-oxford-street-to-see-1m-sq-ft-of-retail-to-offices-in-next-5-years>

¹⁷ Two recent surveys of visitors by Westminster City Council (December 2022) and Lake Market Research (September 2021)

¹⁸ Making the case for Public Realm Investment, Towns Fund Delivery Partner, 2022

The review's outcome was to focus the programme to the improvement of Oxford Street itself and highways interventions on the street and in the area. The programme has identified additional complementary schemes, which are to be progressed if an acceptable ratio of third-party funding is secured. This material change to the programme's scope was rebranded the 'Oxford Street Programme'. A key component of the OSP is improvement works along the entire stretch of Oxford Street, including the re-designing the Oxford Circus junction. These two projects are the focus of this business case.

Since 2019, some components of the Place Strategy for Oxford Street have been developed and delivered. These include Ramillies Street, Ramillies Place, and Hills Place as part of the Soho Photography Quarter. Furthermore, temporary footway widening, planting, and seating was introduced to the west of Oxford Circus in Spring 2021 to support post-lockdown activity during the Covid pandemic. These temporary measures were opportunities to test ways of using the street, and they created a more vibrant and comfortable pedestrian experience and supported pedestrians and active travel. These measures signalled the potential positive impact of permanent changes on Oxford Street's revitalisation.

These interventions were installed under a Temporary Traffic Order (TTO) initially under an 18-month agreed timescale and have subsequently been consulted upon in 2023 to create a Traffic Management Order (TMO). The purpose of the permanent order is to retain these measures until such time that the design has been developed and consulted on. Due to the type of materials used and temporary drainage connections made through the temporary scheme, these measures cannot be retained in the long term.

2.3 Oxford Street Programme, Oxford Street and Oxford Circus Scope Area

The programme's focus is Oxford Street between Marble Arch and Tottenham Court Road (see Figure 1). The conditions necessary for Oxford Street's vibrancy and improved pedestrian environment include improved traffic capacity and movement, which can only be achieved through highway changes on surrounding streets in the area.

As noted in Section 2.1, the focus of this business case is on the core aspects of the programme along Oxford Street and the junction redesign at Oxford Circus. This is presented in Figure 2.

The delivery of an enhanced experience and an improved public realm on Oxford Street and Oxford Circus is dependent on securing third-party funding. Without this external funding, WCC will continue highways maintenance but will not be able to substantially improve the public realm. Securing additional external funding will allow the public realm along Oxford Street to be exceptional and reflect its international status

The three additional complementary schemes identified at James Street, Davies Street and Grosvenor Square are subject to separate funding agreements with relevant third parties. Funding and implementing these schemes will extend the OSP's improvements more widely across the area. These projects sit outside the scope of this business case, but they are referenced to demonstrate the programme's ambition and the potential positive and significant change for Oxford Street.

Figure 1. Oxford Street Programme Scope Area

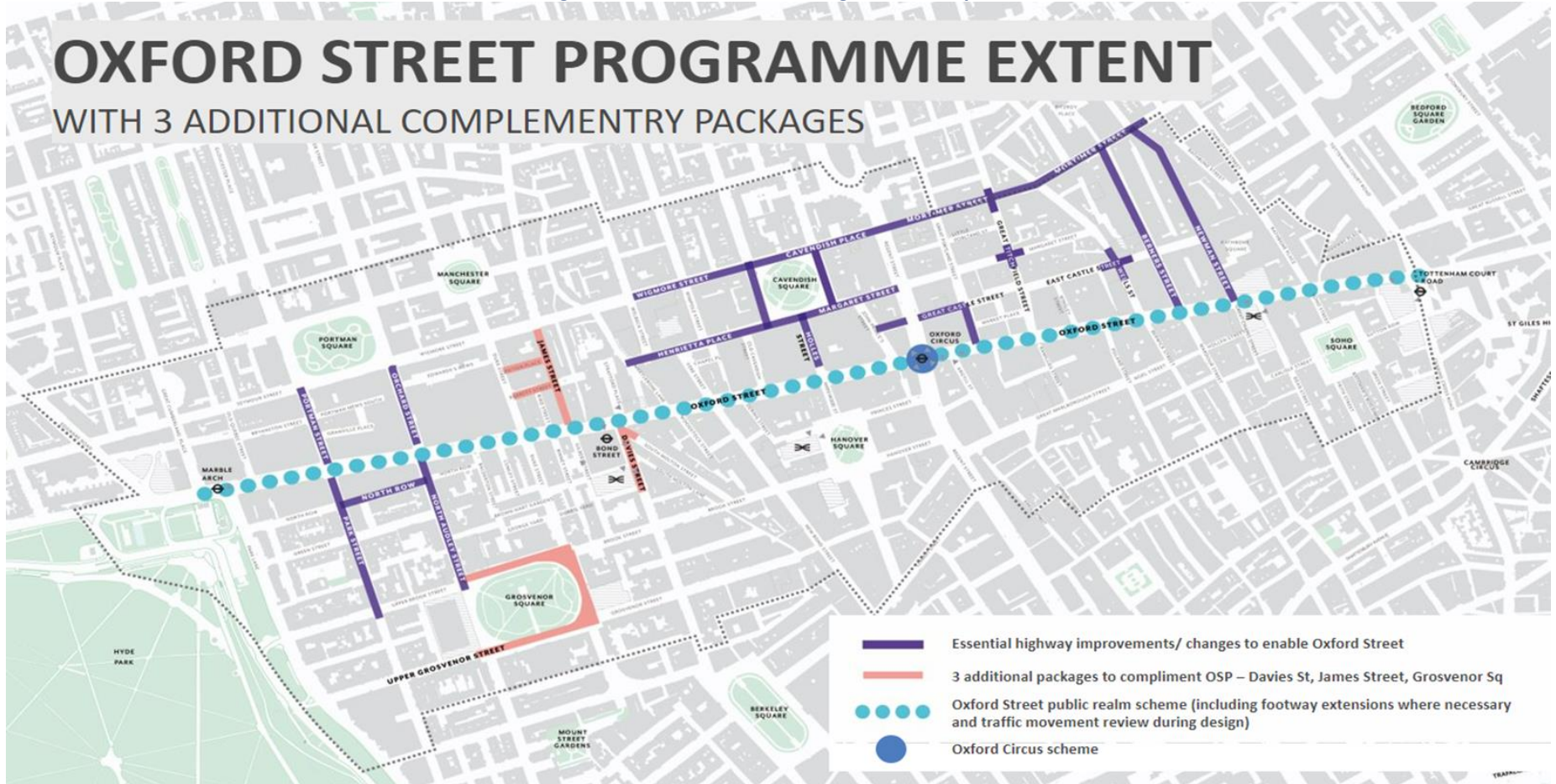




Figure 2. Oxford Street and Oxford Circus Scope Area

2.4 Document Structure

This report has been developed to set out the Full Business Case (FBC) for the Oxford Street and Oxford Circus projects. This Business Case has been developed considering relevant guidance and following HM Treasury's Greenbook (Department for Transport Analysis Guidance - TAG, and Transport for London's Business Case Manual); however, it has been tailored to the specific requirements of this programme.

The FBC is focused on the revised programme and scope. The structure of the document covers the five-case model which:

- Sets out a robust case for change in the [Strategic Case](#) (Chapter 3);
- Demonstrates value for money in the [Economic Case](#) (Chapter 4);
- Demonstrates the scheme is financially affordable in the [Financial Case](#) (Chapter 5);
- Outlines the commercial viability and supply side capacity in the [Commercial Case](#) (Chapter 6);
and
- Sets out the proposal's deliverability in the [Management Case](#) (Chapter 7)

3. Strategic Case

3.1 Introduction

The purpose of the Strategic Case is to outline a robust case for change for the revised OSP and to provide a clear evidence-based case demonstrating the need for the Oxford Street and Oxford Circus projects now and in the future. The case for change in this instance is framed around:

- Firstly, explaining the barriers within the Oxford Street area to both post-Covid recovery and operating in a challenging retail environment;
- Secondly, outlining how the proposed programme addresses these barriers and creates opportunities for Oxford Street in the future to:
 - build on its status as an internationally renowned retail and leisure destination,
 - support a thriving local employment market, and
 - ensure residents have access to retail diversity on a street best suited to accommodate the level of footfall, and
- Finally, what the consequences are of not addressing these barriers.

Additionally, the Strategic Case will summarise the objectives and measures for success and present these in a comprehensive logic map in Figure 11. This map links the interventions' outputs to the programme's intended impacts in the short- and long-term future.

This case therefore provides an overarching framework for the business case, with all four of the other cases supporting the narrative outlined here.

3.2 The Case for Change

3.2.1 The Economic Importance of Oxford Street

Oxford Street is an engine of growth and tourism for the City of Westminster and Greater London region. In 2019, the Oxford Street area¹⁹ generated approximately £22.75 billion in Gross Value Added (GVA) annually²⁰. This represents approximately 30% of Westminster's total GVA and 5% of London's total GVA even though it only makes up less than 10% of the borough's total area²¹. Dating to 1998, this trend is not anomalous and indicates Oxford's Street sustained economic importance at the local, regional, and national scales.

The area contains a high concentration of employment with Oxford Street estimated to have a significantly higher job density compared to the wider Westminster constituency, London and the country (see Table 1).

¹⁹ Estimated using MSOA Westminster 011 and Westminster 013

²⁰ ONS 2021, UK small area GVA estimates for more information refer to Appendix B)

²¹ Ibid

Table 1. Job Density (number of jobs per resident aged 16-64)²²

Year	Oxford Street Area ²³	Westminster	London	Great Britain
2019	21.83	4.35	1.03	0.87
2020	20.86	3.93	0.99	0.84
2021 (Estimated)	21.94	4.92	0.88	N/A

Although Oxford Street is primarily known for its retail offer, it is also increasingly home to an interconnected ecosystem of different sectors and features a high proportion of employment in other sectors (see Figure 3).

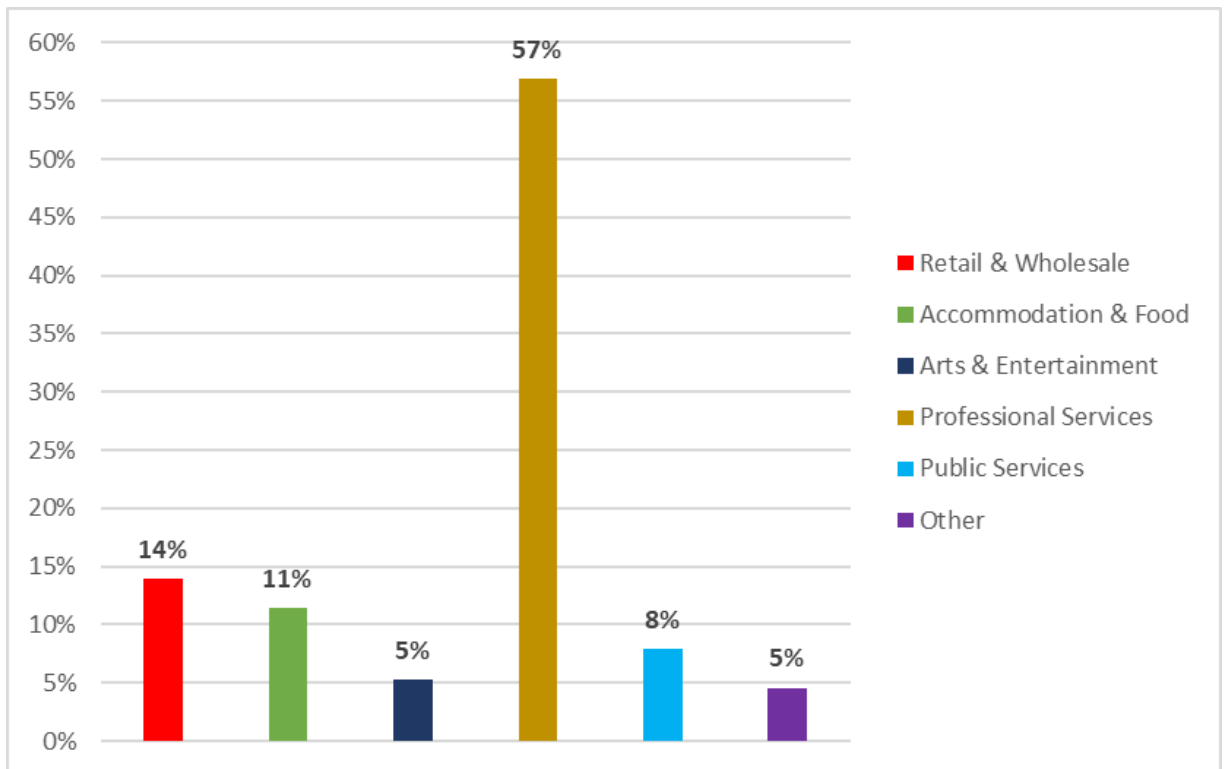


Figure 3. Breakdown of employment by sector in the Oxford Street Area²⁴

The retail sector across Westminster contributes approximately 9%²⁵ of the borough’s GVA. Located at the heart of the West End, Oxford Street is an internationally renowned and nationally significant retail hotspot and tourist destination that attracts approximately 200 million visitors annually²⁶ and is the home to a number of flagship stores such as Selfridges and John Lewis. Based on 2021 footfall analysis, Oxford Street and Regent Street were ranked first and third amongst 20

²² ONS Business Register and Employment Survey (2021), ONS Census 2021

²³ Estimated using MSOA Westminster 011 and Westminster 013, assuming 2021 Census working-age population

²⁴ Estimated using MSOA Westminster 011 and Westminster 013; *ONS Business Register and Employment Survey, 2021*

²⁵ Estimated using ONS 2019 Regional gross value added (balanced) by industry: local authorities by NUTS1 region

²⁶ <https://www.westend.com/oxford-street/>

mass-market prime high street shopping destinations internationally with recorded footfall of 72,700 and 56,900 respectively per day²⁷.

Footfall within Oxford Street is a complex mix of residents, visitors, shoppers, and workers. This drives the street's prominence and vibrancy. The importance of footfall is greater than just GVA. For example, Oxford Street's retail offer and reputation form part of a virtuous circle that attracts visitors, which in turn encourages high value services to locate their offices along Oxford Street. A recent Centre for Cities report²⁸ highlighted that successful locations strike the right balance between different types of uses. This creates the right conditions for businesses, drawing in visitors and increasing footfall to the area, and ensuring the high-quality and high-value service provision alongside other types of commercial uses.

Therefore, Oxford Street's makeup is critical to attracting businesses and visitors, and catering for residents, and consequently drives the employment, retail, and tourism sectors. Further evidence of Oxford Street's economic importance is presented in Appendix B.

Oxford Street is navigating a period of considerable local and global change. Locally, these factors include the Elizabeth Line's usage and the potential intensification of employment in areas²⁹. Globally, Covid has impacted footfall, there is significant concern about carbon emission reduction, and the retail industry is in a state of transformation. These factors will significantly impact Oxford Street and its future³⁰.

3.2.2 The Need for Intervention

As outlined above, the economic importance of Oxford Street is obvious, and this depends largely on the street remaining a desirable destination for businesses and visitors and an attractive local high street that can make residents proud. The key challenges to Oxford Street remaining attractive and competitive are summarised in Table 2 below, followed by a more detailed discussion of each challenge alongside supporting evidence.

²⁷ Snapshot recorded on a sample day in 2021 comparing 34 locations (BNP Paribas: Pan European Footfall analysis 2021-2022; https://www.bnppre.fr/sites/default/files/2021-12/Footfall_Analyses_2021.pdf)

²⁸ What does a future-proof high street look like? Centre for Cities, 2022

²⁹ West End Good Growth, Mayor of London, City of Westminster, 2018

³⁰ Ibid

Table 2. Overview of the Key Challenges

Key challenges	Overview
<p>Challenging retail environment with increased competition and costs alongside the impact of Covid on footfall and the ongoing implications of this</p>	<ul style="list-style-type: none"> • Decline in traditional high streets • Trends shifting to online shopping and large leisure complexes (combined retail, leisure and entertainment experiences) • Increasing costs for businesses (rents and operating costs) exacerbated further by Covid and footfall recovery
<p>Insufficient areas and spaces on Oxford Street and Oxford Circus for visitors to move through and socialise within</p>	<ul style="list-style-type: none"> • Does not fully conform with Transport for London’s streetscape design guidance³¹ and scores low on the Healthy Street index³¹ • Currently does not align with WCC’s Fairer Westminster aspiration to ensure Oxford Street delivers a world class offer and experience to residents, businesses and workers and ensure that these groups are enabled to travel in more active and sustainable ways • Increasing conflict between motorised and non-motorised users • Increased pressure for economic recovery post-Covid – pedestrian footfall is a key input • Inadequate pavement and crossing widths to accommodate peak hour pedestrian flows • Cluttered street environment (street furniture frequency and placement restricts the pavement width) • Increased pressure due to the Elizabeth Line’s usage and associated significant growth in pedestrian footfall • If unaddressed, overcrowding could lead to further pedestrian safety concerns (such as long queues forcing pedestrians to walk into the road)
<p>Lack of safe environment for those using sustainable transport modes</p>	<ul style="list-style-type: none"> • High traffic flows conflicting with high pedestrian footfall • Fatal collisions occurring approximately every 3 years, which is at risk of becoming more regular due to increased activity levels from the Elizabeth Line • Perceptions of safety and actual safety including from the threat of terrorist attack

³¹ The London Plan 2021/ TfL Healthy Streets for London / Westminster City Plan (see Appendix C for further information)

3.2.3 Barrier 1: Challenging retail environment with increased competition and costs alongside the impact of Covid on footfall and the ongoing implications of this

Like many high streets across the UK, Oxford Street has been threatened in recent years due to an increase in retail competition both online (the share of online sales increased from 19.2% in 2019 to 26.5% in 2022 in the UK³²) and with the introduction of large retail complexes such as Westfield Shopping Centre (which was the largest shopping centre in Europe when it opened in 2008³³). In addition, businesses face significant increases in operating costs (such as rents, business rates and inflationary pressures).

If Oxford Street is to retain its status as an iconic local high street for residents and globally renowned retail experience against increasing competition (both national/internationally and online), it needs to adapt and invest in ways to accommodate changing consumer trends.

The situation has been compounded by the Covid pandemic's significant impacts on visitor numbers, including local workers and retail/leisure trips (see Figure 4).

The UK's emergence from the Covid pandemic has placed a renewed emphasis on the viability of city centre destinations as attractive and accessible places for both work and leisure activities.

Evidence

A recent survey³⁴ into visitor's perceptions of the West End conducted by Lake Market Research confirms that Oxford Street remains a popular destination:

- 33% of visitors to the West End stated that they visited Oxford Street on their most recent leisure trip to London (the third most frequently cited destination amongst all respondents); and
- 56% of visitors to the West End also stated that they are likely to make a future leisure visit to Oxford Street (the most frequently cited destination amongst all respondents).

However, although the Oxford Street area is a leading destination for visitors to London, retail trends are changing. For example, the share of spending made online has increased; by September 2021, 29 pence in every pound spent was spent online³⁵. For London residents, less than 30% of spending was online pre-Covid, but this figure increased to nearly 35% by September 2021³⁶. Spending habits have not returned to pre-pandemic levels as people have adhered to some of their lockdown behaviours and become more acquainted with online shopping. While online spending is not done necessarily at the expense of spending at retail destinations like Oxford

³² ONS Internet sales as a percentage of total retail sales (ratio) (%)

<https://www.ons.gov.uk/businessindustryandtrade/retailindustry/timeseries/j4mc/drsi>

³³ [Westfield Stratford City opens - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/news/westfield-stratford-city-opens)

³⁴ Survey undertaken in September 2021 by Lake Market Research

³⁵ How is Covid 19 impacting online shopping and what does this mean for the future of the high street? Centre for Cities

³⁶ Ibid

Street, it is, however, changing the nature of spending in such places. Centre for Cities³⁷ highlights that areas such as fashion have maintained a high online share compared with pre-pandemic levels. Therefore, a shift away from over-reliance on areas such as fashion retail to a wider range of uses and amenities will enable an area to thrive. There is also an increase in showrooming where shoppers view products in shops and then buy them online.³⁸

New global consumer trends - such as the move to online shopping outlined above, increase in buying local³⁹, fierce price competition from e-commerce, and mounting concerns of the cost of living⁴⁰ - are encouraging retail areas such as Oxford Street to place greater emphasis on the overall visitor experience, including daytime and evening cultural, leisure and entertainment activities. The retail and wholesale sector within the Oxford Street area has experienced a decline, with many flagship stores (including Topshop, Debenhams and House of Fraser) closing in recent years⁴¹. This is not symptomatic of a larger decline in the area as other sectors such as the professional services sector have experienced strong growth during the same period.

Oxford Street is one of the most expensive locations for high streets retail rents, with rents reaching up to £750 per square foot per year on Oxford Street (see Table 3 below). This is over 2.5 times higher than London (City) and even higher than other nationally significant cities such as Manchester and Leeds. These high rental rates pose a further significant challenge for retail businesses, as it adds additional pressure on retail units reliant on maintaining and increasing visitor footfall to Oxford Street.

Table 3. High Street Annual Rental Values per square foot (2020-2021)⁴²

	Quarter 4 -2020	Quarter 1 - 2021
London West End – Oxford Street	£675	£750
London (City)	£240	£260
London West End – Bond Street	£2,150	£2,175
Manchester	£220	£220
Leeds	£140	£150

To remain internationally competitive, Oxford Street must adapt by reducing the number of traditional retail units and expanding its entertainment, leisure, food, and beverage offer. The expansion of the evening economy presents an opportunity to increase footfall after peak times. A 2022 pedestrian survey revealed that footfall along Oxford Street is consistently high throughout the core retail hours (11:00-17:00) but sharply drops in the evening. The New West End Company (NWECC) argues that the current evening economy in the area is limited, particularly on Oxford Street itself where there is a lot of inactivity once the major retailers close for the evening.⁴³ A diverse night-time economy would enrich visitors’ experiences, boost spending and economic activity in the area, and support more jobs, aligning with the Mayor of London’s vision for a range of ‘Night Time Enterprise Zones’ throughout London. This is also supported by findings

³⁷ Ibid

³⁸ The Pedestrian Pound, Just Economics and Living Streets

³⁹ 41% are keen to shop more locally. (One Poll Survey of 2000 people for Tyl by NatWest, December 2022)

⁴⁰ Nearly half (45%) of people have made cuts to their non-essential spending in recent months in response to the cost of living squeeze. (One Poll Survey of 2000 people for Tyl by NatWest, December 2022)

⁴¹ <https://www.retailgazette.co.uk/blog/2022/04/in-pictures-oxford-street-before-and-after-the-pandemic/>

⁴² Annual rental cost of prime high street retail rents in the United Kingdom (UK), Statista 2022

⁴³ Draft London Plan 2018 NWECC Response, New West End Company, 2018

from the West End Good Growth Report⁴⁴ which identified that a comprehensive evening/night-time entertainment offer, to cater for both residents, workers and visitors, was a key finding from leading global comparators such as New York, Paris and Milan.

A crucial issue facing Oxford Street is that the Covid pandemic saw an unprecedented impact on retail as a result of suppressed domestic and international visitor footfall. As shown in Figure 4, the long-term impacts of Covid are still clear up until August 2022. The comparison between 2019 and 2022 for the available months of data (January to August) shows the average across the two footfall sites on Oxford Street between January-August 2019 versus January-August 2022 decreased from 4.12 million to 2.67 million; representing approximately 35% fewer visitors.

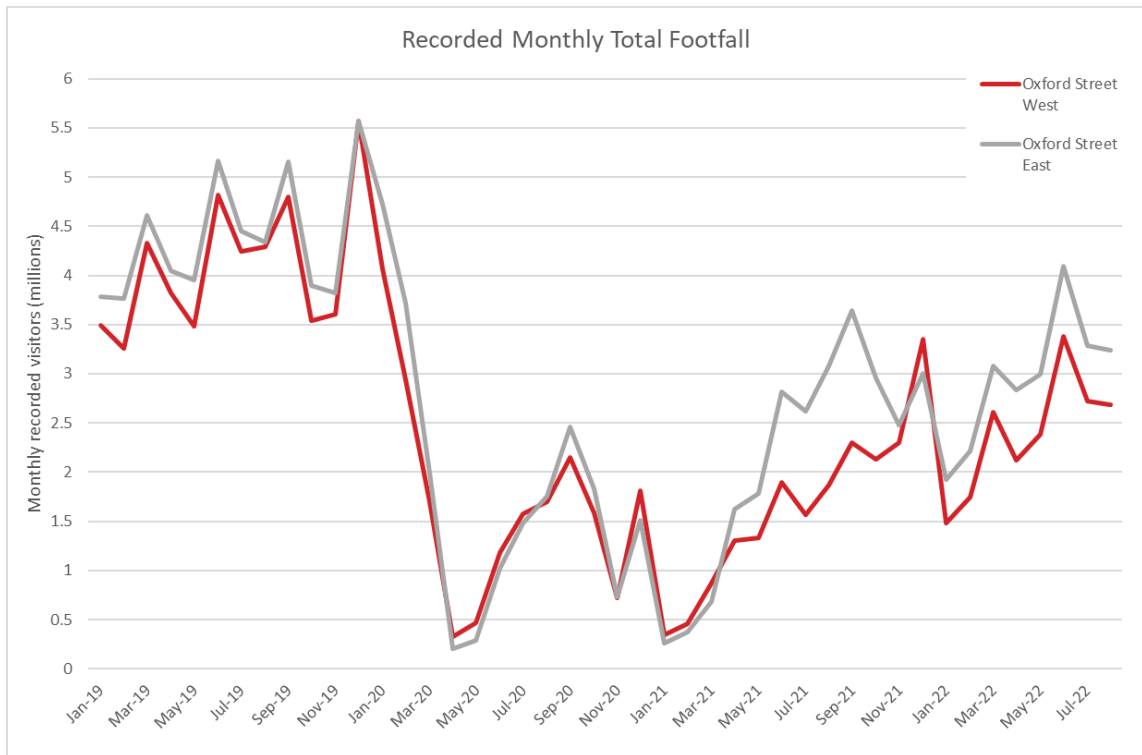


Figure 4. Long term impacts of Covid on Oxford Street footfall⁴⁵

International comparisons of footfall recovery across Europe ranked Oxford Street as the worst affected during the height of the pandemic with footfall declining by 71% (March 2020-March 2021)⁴⁶. Subsequently, more recent footfall on an international comparison level showed a +31% compared to the previous year, although the change in footfall compared to the pre-Covid baseline was still -59% (June 2021-May 2022)⁴⁷.

The ongoing success of Oxford Street is inextricably tied to maintaining its status and appeal as a flagship destination that can attract visitors and investment. Footfall recovery is a critical factor in returning to pre-pandemic visitor levels and forecasted growth levels (in part due to the arrival of

⁴⁴ West End Good Growth, Mayor of London, City of Westminster, 2018

⁴⁵ New West End Company (NWE) local pedestrian counters in two locations on Oxford Street

⁴⁶ <https://www.retailtimes.co.uk/oxford-street-most-impacted-by-covid-19-among-major-european-high-streets-mytraffic-shows/>

⁴⁷ MyTraffic Data Stories European High Streets Ranking

the Elizabeth Line). Therefore, the proposed interventions on Oxford Street will seek to better accommodate pre-pandemic levels of footfall.

Consequences of not addressing this barrier:

- Lower visitor numbers
- Loss of status as international destination and flagship stores
- Lower spend in the local economy
- Drop in income from business rates resulting from an increase in underutilised units
- Future growth and development opportunities not realised

Opportunities and Strategic Benefits by Addressing the Barrier

The proposed projects and associated measures seek to support the visitor experience by alleviating pedestrian congestion by widening footways, whilst enhancing opportunities for respite and dwell. In turn, additional visitor spending is expected in the local economy, estimated at £253million in 2010 prices (which would rise to £506million if expressed in 2023 prices⁴⁸), over a 20-year period following completion of construction). This additional spend is also forecasted to create construction and retail jobs, delivering direct and indirect employment benefits. It is acknowledged that the proposed scheme is just one strand of a wider package of transformational proposals being pursued by both WCC, partners and occupants.

It must also be noted that the opportunities extend beyond the immediate Oxford Street area. Upgrades to the public realm and pedestrian environment also include improved connectivity and wayfinding measures to areas beyond Oxford Street, such as other public or green spaces, and cultural activities, etc. This will enhance the Oxford Street area's competitive advantage over other retail centres (e.g., Westfields) due to the wide variety of leisure and retail destinations in close proximity to one another (including theatres, bars, restaurants, parks, and specialist high streets).

Further, given Oxford Street's national importance, its ability to navigate these macroeconomic difficulties (including inflation, competition with e-commerce, labour and supply-chain disruptions, international tourist shortfalls) will provide a blueprint for success for other national high streets. Therefore, the opportunities are not limited solely to Oxford Street as there is potential for significant national spill-over benefits.

Table 4 below provides a summary of the strategic benefits that will be delivered for Oxford Street by delivering the scheme including, where possible, the monetised value of these benefits.

⁴⁸ Presented in 2023 prices (i.e., today's values); these values have been calculated using a set of assumptions underpinned with local evidence. For the purposes of the economic case and demonstrating value for money the lower end estimate has been included.

Table 4. Strategic benefits from addressing the challenging retail environment

Strategic Benefit	Description	Monetised value (if Applicable) 2010 prices
	Improvements to the public realm will...	
Promote distinct identity	Be designed to reflect the existing character of the area, facilitate more diverse uses of the public realm environment and connect the unique neighbourhoods and spaces in and around Oxford Street.	N/A
Enables diverse experiences		N/A
Long term management and maintenance approach	Deliver an attractive public realm that will utilise high-quality materials which are durable and long lasting. As much as possible, the selected design and materials will have the lowest associated carbon emissions and help the public realm be resilient to extreme weather events such as flooding and heat.	N/A
Support economic vitality of Oxford Street	Increase the attractiveness of Oxford Street as a destination, thereby encouraging additional visitors, businesses and supporting the local economy.	£135.819m in additional visitor spend (see Section 4.4.4)
	Support the local employment market and generate social value by creating additional jobs: <ul style="list-style-type: none"> • directly through construction of the scheme • indirectly through the construction supply chain • indirectly through jobs created due to additional visitor spending in the local economy There are also potential opportunities for spill-over benefits for other national high streets.	GVA impacts (Oxford Street/Oxford Circus): Direct construction jobs: £18.642m / £7.975m Indirect construction jobs: £18.623m / £7.967m Indirect visitor retail jobs: £7.864m / £0m

3.2.4 Barrier 2: Insufficient spaces on Oxford Street (including Oxford Circus) for visitors to move through and socialise

Public spaces need to be accessible, safe and green with adequate facilities for communities. To improve the public realm in and around Oxford Street and maintain its destination status, there is a need to provide well-designed places that are attractive to residents, businesses and visitors without compromising the comfort of the Oxford Street area. Any further deterioration of the public realm will act as a constraint to visitors and businesses. Sustaining the area’s status is threatened by the public realm’s current condition.

Other global cities that compete with Oxford Street are investing heavily in their urban infrastructure, with many European cities including Amsterdam, Dublin and Zurich already moving ahead with public realm and other infrastructure improvements. This will better equip

them to meet the needs of visitors who are increasingly moving towards a more integrated offer and away from traditional high street retail models.

As indicated previously, while footfall has yet to rebound to pre-pandemic levels (Figure 4), pedestrian congestion is considered a significant issue along Oxford Street (Table 5).

Evidence

As stated previously, Oxford Street is a highly popular destination for workers and visitors alike. While the recovery from the Covid pandemic is still underway (Figure 5, during peak times pedestrian congestion can create an uncomfortable environment - see Table 5). This is particularly consistent for a large proportion of the day from midday onwards to early evening, peaking around 5pm on most parts of the street (see Figure 5).



Figure 5. Oxford Street hourly footfall profile, 2019 vs 2022

During the summer months and towards the end of the year, these problems are exacerbated further due to increased visitors and shoppers to the area (Figure 6).

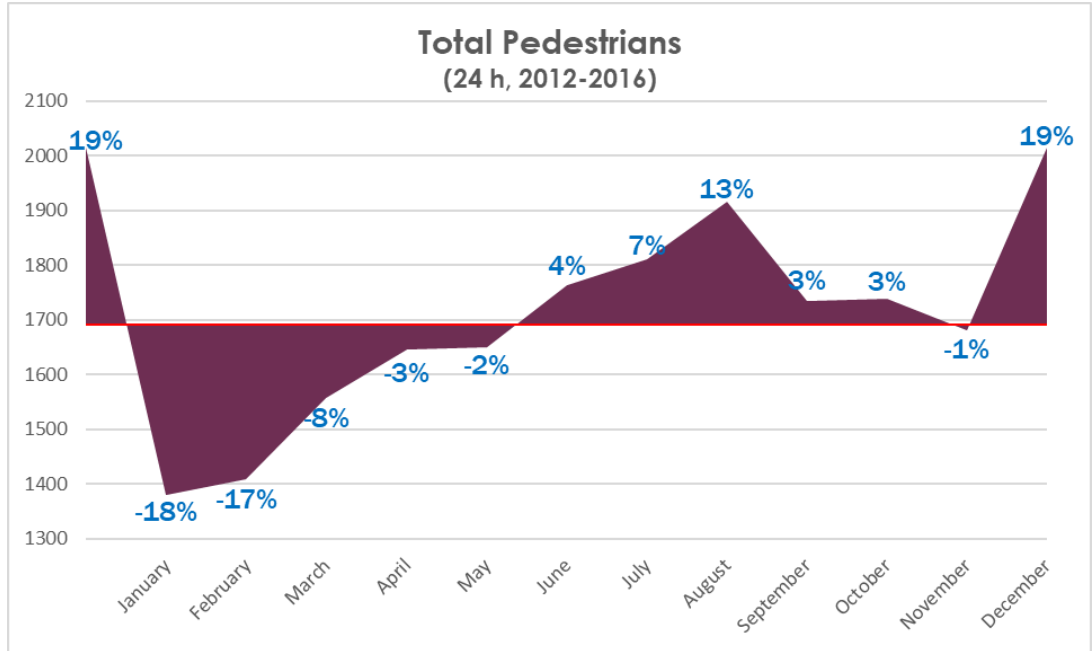



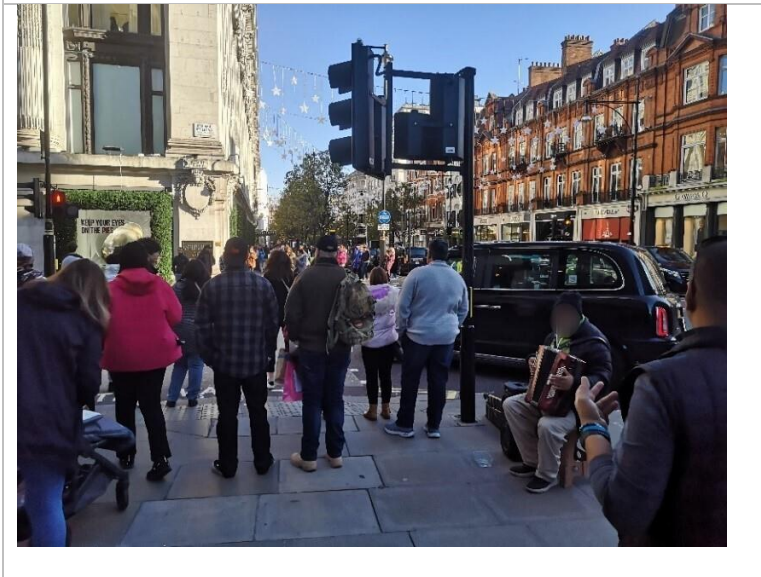
Figure 6. Footfall seasonality trends⁴⁹

While the pavement widths are mostly deemed wide along Oxford Street⁵⁰, sections of the footway are too narrow to accommodate the large numbers of visitors to the area. Footways are obstructed by customers queuing for shops, waiting near the underground stations or waiting for buses. Footways are also cluttered by obstacles (such as poorly located street furniture) resulting in increased journey times and pedestrian frustration (as illustrated in Table 5).

⁴⁹ TfL Automatic Pedestrian Counter (site 15: Coordinates: 528405 181085)

⁵⁰ The TfL Streetscape Guidance (4th Edition, 2022) gives width standards for footways as between 2.4m and 3m – pavements are Oxford Street are generally in excess of 2m wide and up to 6m wide in places

Table 5. Experience of Pedestrian Congestion

	<p>Location: Oxford Circus</p> <p>Date and time: Saturday 8th April 2023 approximately 15:30.</p> <p>The images show extensive crowding, concentrated around the pavements and at the crossing.</p>
	<p>Location: Oxford Street [Orchard Street junction]</p> <p>Date and time: Friday 25th November 2022; approximately 12:00.</p> <p>The image shows crowded pavements and the impact of street performing artists on the capacity of the pavements.</p> <p>The image also illustrates the proximity of vehicular traffic to pedestrians.</p>



Location: Oxford Street [between Duke Street and James Street]

Date and time: Friday 25th November 2022; approximately 12:00.

The image shows crowded pavements and the impact of street furniture and planting on the capacity of the pavements.



Location: Oxford Street [between James Street and Stratford Place]

Date and time: Friday 25th November 2022; approximately 12:00.

The image shows crowded pavements and people crossing Oxford Street at places which are not formal crossing locations.



Location: Oxford Street [Between Hanway Street and Tottenham Court Road]

Date and time: Friday 25th November 2022; approximately 13:00.

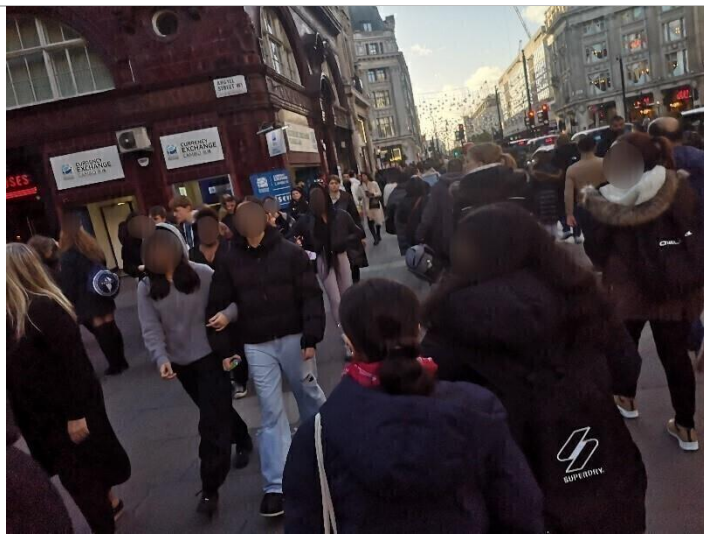
The image shows crowded pavements with conflict points and pavement restrictions due to the bus stop and overflowing waiting areas.



Location: Oxford Street [Between Ramillies Street and Hills Place]

Date and time: Friday 25th November 2022; approximately 14:00.

The image shows crowded pavements to the extent where people are walking on the highway adjacent to the pavement. The image also shows the impact of street furniture such as a bin on the capacity of the pavement and flow of pedestrians.



Location: Oxford Street [Between Hills Place and Argyll Street]

Date and time: Friday 25th November 2022; approximately 14:00.

The image shows significantly crowded pavements (approximate width 5.5m).

TfL’s Pedestrian Comfort Level (PCL)⁵¹ provides a measure of available space for pedestrians referring to the level of comfort based on the crowding experienced. A 2015 survey by WSP⁵² assessed and scored the PCL for links on Oxford Street. Those scoring a ‘B-’ or lower, were deemed to be unacceptable for a high street environment. The study found that 78% and 81% of the links performed below this threshold on a weekday (Friday) and weekend (Saturday) respectively. Subsequently, a further PCL assessment by traffic consultants was undertaken using peak flows from pedestrian surveys in September 2022.

As shown below, areas of significant concern are located to the east of Oxford Circus, and with relatively fewer issues to the west of Oxford Circus. This is due to suppressed footfall after Covid and wider pavements temporarily introduced on Oxford Street West during the pandemic. As footfall recovers, the PCL is expected to worsen and be exacerbated further when accounting for changes in seasonality, especially around Christmas (see Figure 7 below).

⁵¹ <https://content.tfl.gov.uk/pedestrian-comfort-guidance-technical-guide.pdf>

⁵² WSP and Conway study Oxford Street Pedestrian Comfort Level Assessment Future Pedestrian Growth review



Figure 7. Pedestrian Comfort Level (PCL) September 2022 flows and forecasted Christmas flows

The design and management of streets seek to ensure they enable people to travel more sustainably and are open to everyone. To avoid stressful overcrowding, pavements should be wide enough to accommodate current and future levels of demand⁵³.

However, various guidance documents³¹ for designing pedestrian environment consider factors over and above pavement width. For instance, The London Plan 2021’s Mayor’s vision for good growth includes policies which specify:

- That development proposals are required to achieve the highest standards of accessible and inclusive design; and
- How public realm should be designed, including the following factors –
 - Safe, accessible, inclusive, attractive, and easy to understand; and
 - Balancing ease of movement with the creation of a place.

⁵³ Guide to the Healthy Streets Indicators, Mayor of London and Transport for London

In addition, the Healthy Street concept (a key DfT and TfL policy) is to prioritise, rather than simply accommodate, pedestrians. As shown in Figure 8, the entire length of Oxford Street is rated as ‘low’ on the Healthy Street Index (recorded in 2021). This includes Oxford Circus. This suggests that significant improvements in the pedestrian environment along Oxford Street are required.

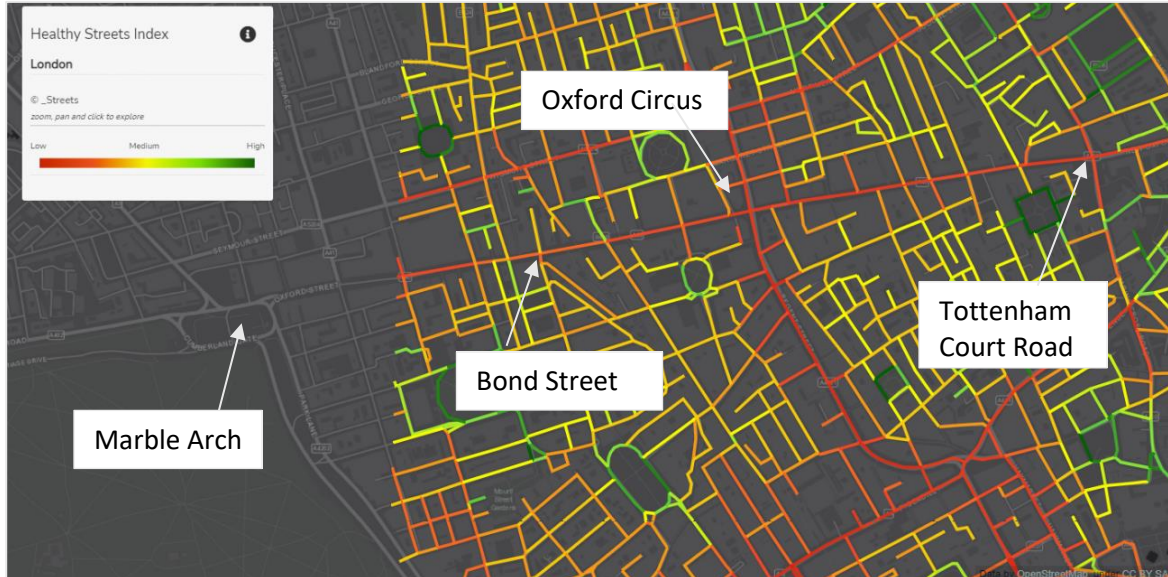


Figure 8. Healthy Streets Index⁵⁴

A 2022 pedestrian survey revealed that during a peak period between 17:00 and 18:00, Oxford Street had 43,000 pedestrians per hour (see Figure 5)⁵⁵. However, as shown previously in Figure 4, this 2022 volume remains about 30% below the footfall recorded during a similar period in 2019. The post-pandemic recovery is beginning to offset these impacts and increase the number of pedestrians to the area. Based on older footfall counts from 2015, Oxford Circus typically experiences approximately 30% higher footfall than Oxford Street.

The Elizabeth Line stations offer the Oxford Street area crucial opportunities for growth and increase accessibility for those with mobility issues who can benefit from the stations’ step-free design. Analysis considering the impact of Covid forecast that the Elizabeth Line will boost West End performance by 7% in 2031, equating to £800 million of sales⁵⁶. Updated TfL projections indicate that passenger numbers at West End stations will increase by 22.5m by 2026⁵⁷. While the Elizabeth Line stations do not open out onto Oxford Street directly, but to Dean Street, Hanover Square and Davies Street, they will significantly alter the way people arrive to the area and therefore move across the area. Any increases in visitor numbers brought about by the Elizabeth Line is likely to exacerbate the overcrowding of the area.

In addition to evidence of actual pedestrian congestion, there is a general perception that Oxford Street is “too busy” or “overcrowded”. This was evident in two recent surveys:

- Visitors’ perceptions of Oxford Street⁵⁸ showed perceived problems to be “overcrowding” (59%) and difficulty moving down the street (31%).

⁵⁴ <https://www.healthystreets.com/resources#healthy-streets-index>

⁵⁵ This value is an approximation across two survey sites.

⁵⁶ NWECE Elizabeth Line Study: Executive Summary (October 2022)

⁵⁷ <https://www.bakerstreetq.co.uk/news-and-whats-on/tfl-releases-revised-forecast-figures-for-elizabeth-line/>

⁵⁸ December 2022 Front Room Public Engagement event

- More widely, visitors' perceptions of the West End, conducted by Lake Market Research, indicated that key barriers for future visits to the West End are the perceived expense (45%) and being too busy/crowded (39%). Furthermore, the survey also reported that 92% of respondents associated the West End with "busy / bustling" either "very much or to some extent" and 60% of respondents associated it with the word "overwhelming".

Popular suggestions to improve the Oxford Street experience (Lake Market Research) include:

- Less traffic (35%)
- Increased greenery (27%)
- Making the West End a safer place to be (26%)
- More environmentally sustainable and climate friendly (22%)
- More walkable (20%)

Consequences of not addressing the barriers:

- Growth opportunity afforded by the Elizabeth Line is not realised
- Increased safety concerns due to overcrowded pavements and the potential for collisions with motorised vehicles. The overcrowding may also lead to a perception that walking or cycling is not safe due to the proximity of motorised vehicles.
- Reduced spend per person and reduced dwell times.
- Visitor frustration resulting in loss of reputational standing and return visits due to poor visitor experience

Opportunities and Strategic Benefits by Addressing the Barrier

The proposed schemes aim to address the barrier of insufficient areas and spaces on Oxford Street for visitors to move through and socialise. The perceptions and the actual experiences of Oxford Street and Oxford Circus will be greatly improved by providing additional space for pedestrians and improving the quality of the environment, including for those with mobility impairments (especially as 15.7% or 1.2 million Londoners have a registered disability⁵⁹). The improvements to the area will support footfall recovery following the Covid pandemic and additional pedestrians from the Elizabeth Line by addressing the current spatial constraints faced by the street's users. Furthermore, an environment will be provided which can accommodate a wider range of activities enabling increased dwell time for visitors to the Oxford Street area.

Enhancing the perceived and actual attractiveness of Oxford Street and Oxford Circus supports the economic vitality of the area in an evolving and challenging retail environment (Barrier 1). The presence of quality street space has been found to have strong ties to economic prosperity (in relation to productivity, quality of life and equity/social inclusion)⁶⁰. Further, evidence suggests (see Appendix B) that public realm improvement schemes can equate to a staggeringly positive impact for local economies with the following potential impacts, including:

- Increasing additional footfall between 10-30%;
- Reducing vacant units by up to a 17% per annum;
- Increasing time spent in and around the public realm (i.e. standing, sitting, waiting) by 96%⁶¹.

⁵⁹ Disability England and Wales: Census 2021
<https://www.ons.gov.uk/peoplepopulationandcommunity/healthandsocialcare/healthandwellbeing/bulletins/disabilityenglandandwales/census2021>

⁶⁰ UN Habitat (2013) Streets as public spaces and drivers of urban prosperity

⁶¹ Carmona, M., Gabrieli, T., Hickman, R., Laopoulou T., Livingstone N., (2017) "Street appeal: the value of street improvements" Progress in Planning.

Finally, the materials used to deliver the scheme will improve the long-term management and maintenance of the area as the scheme has been designed to be long-lasting, durable and able to accommodate large amounts of pedestrian traffic.

Table 6 below provides a summary of the strategic benefits that the scheme will deliver for Oxford Street and Oxford Circus, including where possible the monetised value of these benefits.

Table 6. Strategic benefits from addressing insufficient areas and spaces on Oxford Street for visitors to move through and socialise within

Strategic Benefit	Description	Monetised value (if Applicable) 2010 prices
	Improvements to the public realm will...	
Enhanced pedestrian journey quality	Enhance public journey quality and perceptions of the area due to localised widening and reducing the dominance of traffic along Oxford Street.	Pedestrian journey quality benefits: Oxford Street: £52.937m Oxford Circus: £6.985m
Improved accessibility	Make Oxford Street more accommodating for all pedestrians (especially those with mobility considerations) due to localised widening, resurfacing, improved crossings and creating more rest and dwell spaces.	N/A
Improved greening	Increase the level of planting to enhance character, support biodiversity levels and the Wild West End network, and improve attractiveness and comfort.	N/A
Long term management & maintenance approach	Deliver a high-quality public realm that will utilise high-quality materials which are durable and long lasting, which will reduce the costs of longer-term maintenance. As much as possible, the selected design and materials will have the lowest associated carbon emissions and help the public realm be resilient to extreme weather events such as flooding and heat.	N/A

3.2.5 Barrier 3: Lack of safe environment for pedestrians

The environment along Oxford Street and at Oxford Circus is an area of high conflict between motorised vehicles (primarily buses and taxis) and non-motorised users.

2022 traffic and pedestrian footfall surveys show that Oxford Street tends to experience high levels of traffic and pedestrian footfall during similar periods of the day (see Figure 9). This poses safety concerns given the available pedestrian infrastructure and public realm. Currently a fatality occurs on the street every 3 years, and this is likely to become more regular as the levels of activity increase.

Other factors to consider are pedestrians’ vulnerability to and perceived risk of a terrorist attack along Oxford Street.

Evidence

As noted previously, Oxford Street and Oxford Circus experience significant levels of visitor footfall and traffic from motorised vehicles (predominately buses and taxis) throughout the day (see Figure 9).

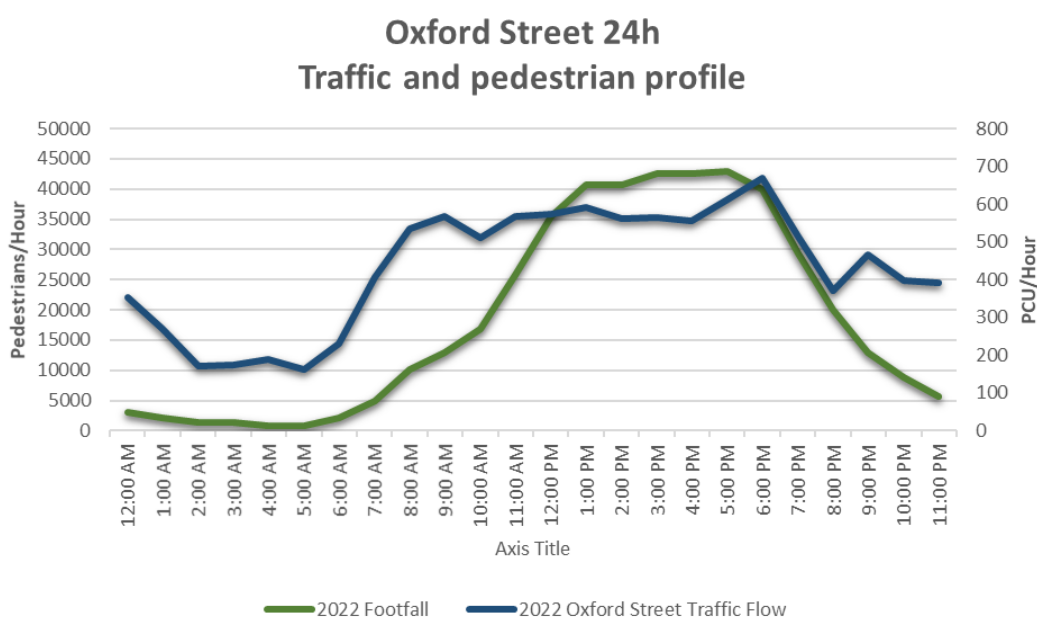


Figure 9. Hourly flows of vehicles and pedestrians on Oxford Street

This generates conflict between users of the space, which leads to a heightened risk of collisions and could discourage people from walking or cycling. As evidenced previously, pedestrians are frequently observed crossing the road informally (i.e., not at official pedestrian crossings), and formal pedestrian crossings often cannot accommodate the volumes of foot traffic. This increases the risk of pedestrians spilling out over into the carriageway.

A detailed review of all recorded collisions along Oxford Street since 2016 (see Appendix D) found a particularly high number of serious (30) and fatal (2) collisions involving pedestrians over the last six years. In addition, 96 slight collisions also were recorded. At Oxford Circus⁶², 7 serious and 9 slight collisions were recorded between 2016-2021. As shown in Figure 10, these collisions were spread across the entire length of Oxford Street but are concentrated around junctions due to the high levels of activity and conflicts between users of the space.

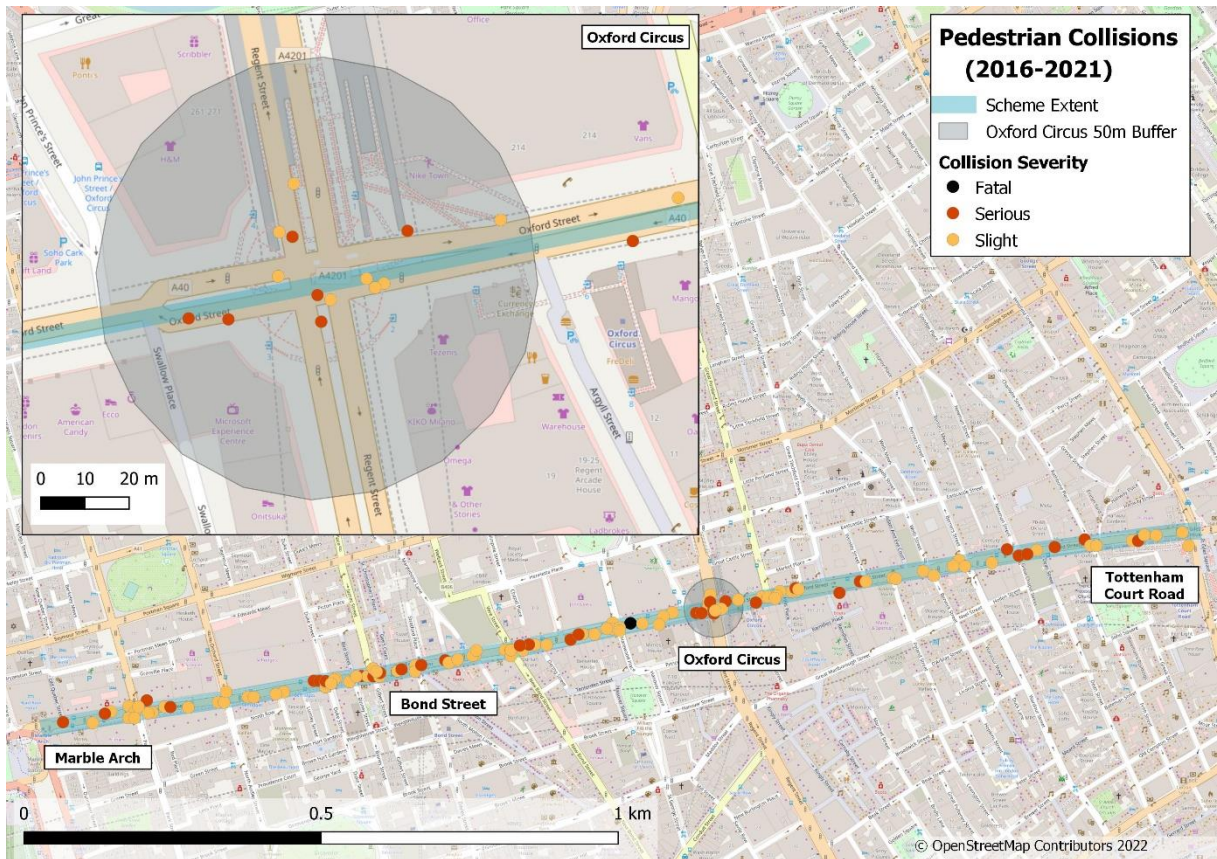


Figure 10. Map of pedestrian collisions recorded along Oxford Street, 2016 to 2021⁶³

Given that the number of pedestrians on Oxford Street and in the wider area is expected to rise because of the Elizabeth Line, it is essential that the proposals for improving the Oxford Street area’s public realm include measures to decrease the risk of collisions involving pedestrians and to reduce the severity of injuries should collisions occur.

As a result of the international status of the area and the concentration of visitors there is a ‘medium high’ to ‘high’ risk of a terrorist incident (using a vehicle as a weapon) on Oxford Street and Oxford Circus.

Consequences of not addressing the barriers:

- Increased safety concern for visitors
- Increased number of collisions
- Increased severity of collisions that occur
- Perception that walking or cycling is not safe
- Loss of reputational standing and return visits due to poor visitor experience

⁶² Measured as within 50 meters of the junction

⁶³ STATS19 Data, Department for Transport, 2022

Opportunities and Strategic Benefits by Addressing the Barrier

The proposed scheme aims to address the lack of a safe environment for those walking or cycling by delivering high-quality places and spaces for those visiting Oxford Street and Oxford Circus. Specific measures to assist with this include:

- Wider pavements which will be decluttered from street furniture – reducing the risk of pedestrian stepping out into the carriageway;
- Improved crossing facilities including wider facilities, shorter distances, and additional green signal time – increasing the capacity of crossing facilities and reducing wait times for pedestrians; and
- Reduced traffic and bus flows – reducing the exposure to risk of collisions.

These measures will reduce the conflict between those using sustainable transport modes and motorised traffic especially at peak travel times.

Table 7 below provides a summary of the strategic benefits that the scheme will deliver for Oxford Street and Oxford Circus, including where possible the monetised value of these benefits.

Table 7. Strategic benefits from addressing lack of safe environment for those using sustainable modes

Strategic Benefit	Description	Monetised value (if Applicable) 2010 prices
	Improvements to the public realm will...	
Reduced user conflict and improved road safety	Prioritise pedestrians and walking as a mode of transport by increasing the amount of space available, including at pedestrian crossings, reducing waiting time, and increasing the frequency of formal crossing points. This will reduce conflict between motorised and non-motorised users.	Pedestrian collision reductions at: Oxford Street: £35.776m Oxford Circus: £3.066m
Greater protection from terrorist attack	Installation of hostile vehicle mitigation measures	N/A

3.2.6 Impact of not Changing

Without transformational and proactive change, the Oxford Street area will be highly unlikely to retain its global shopping and business reputation, with negative consequences for the wider West End and national economy. A report for the Mayor of London and City of Westminster⁶⁴ highlighted a series of key findings from other global retail destinations, noting other areas’ attributes of success and how they are evolving in a fast-changing retail context to maintain their internationally renowned status. The following findings were particularly relevant to this business case:

- Development and implementation of proactive strategies to manage tensions that naturally occur, for example, between residents and visitors;
- Investment in the quality and experience, including a sense of place. This can be applied to areas such as lighting, materials used, etc.;

⁶⁴ Ibid

- Striving to be safe and welcoming to the public, including investment in high quality public realm. This should showcase heritage assets, landmark buildings, and open spaces. For example, New York's Fifth Avenue has a mix of parks and plazas for public use, ranging in scale and character. These spaces provide benefits for both workers and visitors alike. They offer places to rest, and seasonal displays interest visitors.

The key barriers have previously been set out, and without change, Oxford Street and Oxford Circus are likely to experience the following impacts:

- The area is severely overcrowded during times of peak demand. This will continue and is likely to worsen as footfall returns to pre-Covid levels and due to the Elizabeth Line's usage. This will have a direct impact on the area's economic performance due to reduced dwell time and consequent spend per person. Over the longer-term, overcrowding and the associated poor visitor experience will result in fewer return visits.
- The lack of change beyond the status quo i.e. not evolving to create the right conditions for business and visitors will limit the area's attractiveness to businesses beyond the retail sector, which currently make up a significant proportion of economic activity in the area. The lack of investment might also create a ripple effect and reduce other investments in the wider area.
- In addition, there is a significant probability that the number of road traffic collisions within the area will increase without measures introduced to reduce this risk. This results from an increased number of motorised and non-motorised users conflicting in an already congested environment. This could further discourage people from walking or cycling in the area and developing more permanent sustainable transport behaviours.
- Lack of investment in shared spaces and the public realm can create a perception of feeling unsafe, particularly in the evening. This can create a vicious circle as people stay away from those areas, and people's feelings of insecurity can increase without others present. This could undermine efforts to expand elements of the evening economy within the Oxford Street area.
- The risk of a terrorist threat if appropriate measures are not installed along Oxford Street and Oxford Circus.

These impacts, if realised, would damage Oxford Street's and Oxford Circus's competitiveness and attractiveness as a place to live, work and visit.

3.3 Oxford Street Programme Scope

3.3.1 Options Development Process

In 2019, Westminster City Council's Cabinet approved the Place Strategy and associated Delivery Plan for the Oxford Street District. A part of this, several key elements were developed and delivered which provided a foundation for the current programme.

Since 2019 the following key works have been delivered:

- Traffic modelling (approved by Transport for London)
- Berners and Newman Street traffic direction change
- Stage 1 design complete on Davies Street and James Street
- The Soho Photography Quarter
- RIBA Stage 1 Concept Design Framework on Oxford Street

A package of temporary measures was delivered during the Covid pandemic recovery period to provide additional security and comfort for users. Installed under a Temporary Traffic Order (TTO) in April 2021, the measures included seating, planting, pavement widening and a new

kerb line. These temporary measures were installed initially under an 18-month agreed timescale, which have subsequently been extended and retained under a Traffic Management Order (TMO).

In 2022, a review of the programme was initiated. The outcome of the review was to focus on the regeneration of Oxford Street itself along with highways changes, and the delivery of complementary schemes where third party funding is secured. This diverges from the district-wide approach that was comprised of 37 work packages/projects. This significantly reduces the scope of the works and therefore the new programme is renamed 'Oxford Street Programme' (OSP).

The OSP consists of a number of projects, including Oxford Street, Oxford Circus, and other schemes to be delivered in the wider area, that enhance pedestrian access and comfort, and overall traffic movement. The full business case specifically refers to the Oxford Street and Oxford Circus projects and addresses them separately given the different funding strategies applicable. Given the scale and impact of the remaining projects that the programme will deliver, they will be subject to governance and approval process typical of other highways/public realm schemes.

3.3.2 Project Scope

As detailed above, this business case focuses on the delivery of two key components of the wider Oxford Street Programme, namely Oxford Street and Oxford Circus. The scope is presented visually above in Figure 2 and is compared against a 'do nothing' scenario as detailed below.

Ongoing highways maintenance scenario ('do nothing')

The ongoing highways maintenance scenario represents a future situation if no investment is made in the area (a 'do nothing' scenario). The street would continue to receive the basic level of Council maintenance and relevant highways services but would not experience any investment over and above this existing activity. Proceeding with this option will incur costs for the removal of the temporary footway widening, seating, and planting that was introduced in Oxford Street west during the Covid pandemic. These measures cannot be retained due to the nature of materials used for the temporary installation and the cost of making them permanent, including allowing for suitable drainage connections.

As detailed in Section 5.1, the cost for the removal of the temporary measures is £1.317m⁶⁵. If no investment was made there would be a significant impact on the quality of the public realm, which is already deteriorating. This would also increase safety and security concerns in an area experiencing heavy daytime pedestrian footfall and serves as a key transport connection, which is even more pressing given the arrival of the Elizabeth Line.

The Oxford Street and Oxford Circus Projects

As shown previously in Figure 2, this business case combines two component parts (Oxford Street and Oxford Circus) which are directly aligned geographically but are subject to different funding arrangements (explored further in Section 5). Collectively, these will deliver a high-quality, safer and more attractive public space.

⁶⁵ As per financial case with the inclusion of contingency (20%) and risk (20%)

Oxford Street

The Oxford Street proposals seek to provide additional and improved spaces to rest, with seating and shade and upgraded paving and accessibility throughout the area. On certain junctions with sides street, agoras will be installed to provide gathering and resting spaces. These will be supplemented with seating and greening to create an oasis space for rest and play.

Oxford Circus

The proposed changes at Oxford Circus seek to address a key traffic bottleneck in the area and improve the pedestrian environment by:

- Redesigning traffic turning movements (to permit ahead traffic movements only) generating a streamlined junction for traffic and pedestrian movement – reducing wait times for traffic and pedestrians;
- Providing wider crossings – increasing capacity and improving pedestrian comfort; and
- Reducing the crossing width – reducing the time it takes for pedestrians to cross the street.

In addition, both projects will have Hostile Vehicle Mitigation (HVM) measures installed. There is a 'very high/high' risk of a terrorist incident where a vehicle is used as a weapon on Oxford Street and Oxford Circus. This will be addressed through the proposed permanent changes and projects. An initial investigation of how to improve security identified a range of interventions and their impact on cost and other public realm measures and considered how these can be accommodated on the footway alongside planting, street furniture and lighting. The intention is to strike a balance between protection, both visual and rated, whilst providing for pedestrian circulation, comfort and safety.

In advance of a detailed design being developed for the Oxford Street and Oxford Circus projects, assumptions about the cost of the proposed type of intervention have been applied for costing and appraisal purposes.

3.4 Objectives and Measures of Success

3.4.1 Vision and objectives

As outlined above, the key challenges which the Oxford Street Programme and Oxford Street and Oxford Circus projects are seeking to address are:

- Challenging retail environment with increased competition and costs alongside the impact of Covid on footfall and the ongoing implications of this;
- Insufficient areas and spaces on Oxford Street for visitors to move through and socialise within; and
- Lack of safe environment for those using sustainable transport modes (including active travel and public transport users).

The programme's vision is that:

Ensure that Oxford Street is a great place for shoppers, tourists, workers and local residents through the creation of a dynamic and sustainable environment and an enhanced public realm that strengthens the global status of the street.

The objectives of the OSP are as follows:

- To engage on and design a high-quality public realm scheme that addresses accessibility, safety and sustainability issues such as sustainable transport use, biodiversity, construction impacts, future-proofed street furniture (including lighting) and drainage design.

- To develop management and maintenance approaches that will ensure that the quality of the public realm can be sustained in the long term.
- To support the future economic success of Oxford Street.

The images to the east and west of the street below provide an indication of what Oxford Street will be transformed into with the introduction of additional footway space and greening, natural stone paving, seating and lighting. These representations will be refined as the design develops.



Current view looking east – Great Titchfield Junction



Proposed view with Oxford Street project changes – Great Titchfield Junction



Existing view Oxford Street west – Old Cavendish Street Junction



Proposed view including wider footways and additional planting – Old Cavendish Street junction



Current view towards the west – Duke Street junction



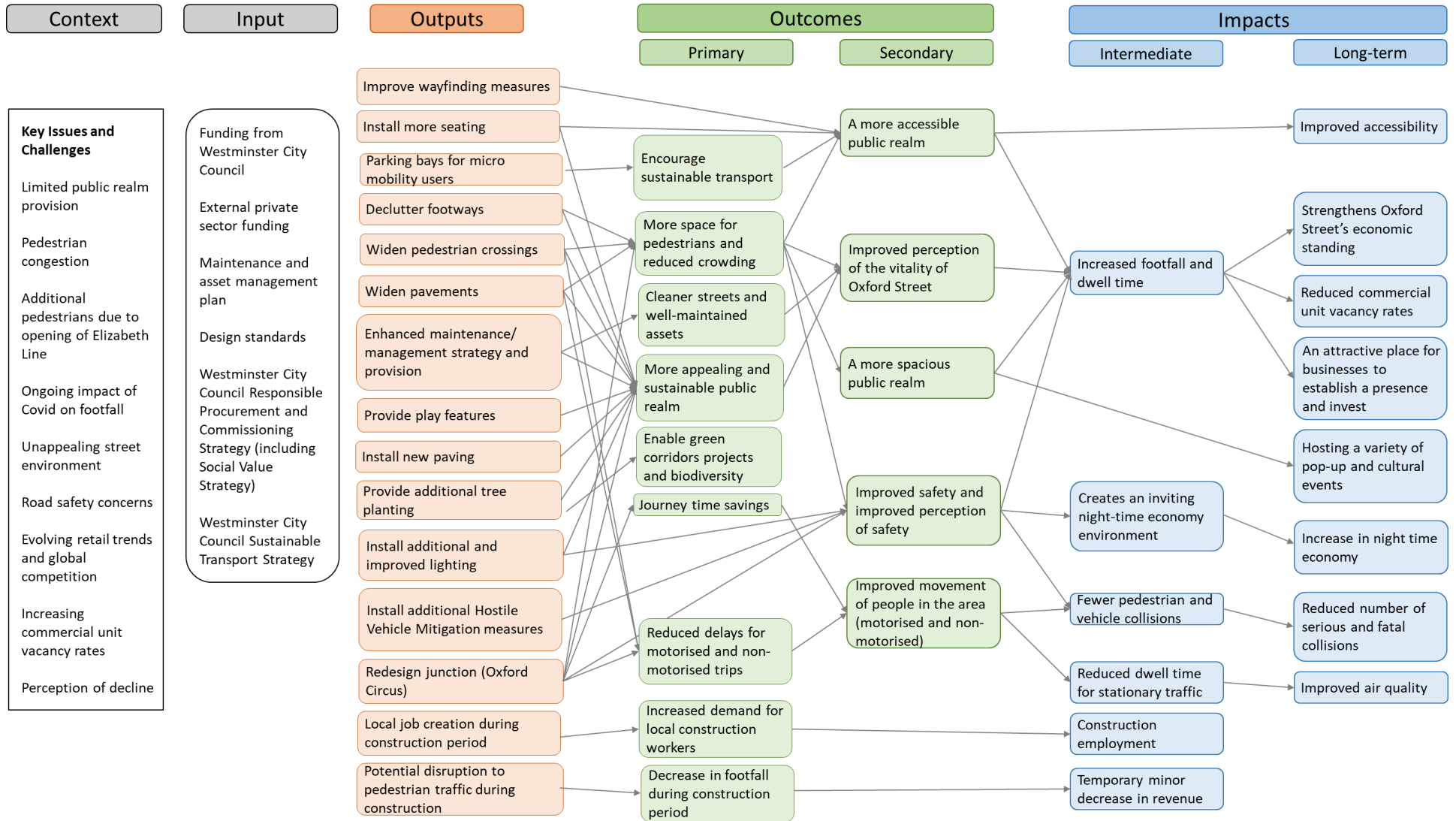
Proposed view indicating wider footways – Duke Street junction

3.4.2 Theory of Change

It is important at this stage to set out what will constitute the successful delivery of the Oxford Street and Oxford Circus projects. This will inform the development and appraisal of the schemes, and the subsequent monitoring and evaluation of performance post-opening.

To facilitate this, a logic map (Figure 11), which demonstrates the expected relationship between the scheme inputs, outputs, outcomes and long-term impacts. This presents how the scheme context is to be addressed by the scheme inputs and what the intended outputs, outcomes and long-term impacts would be.

Figure 11. Scheme Logic Map



3.4.3 Measures for Success and Planning for Delivery

In addition to tracking how the intended outputs connect with the desired outcomes and impacts, it is also important to measure the programme’s performance. It is necessary to identify indicators which can be used to assess the objective’s performance, also known as Key Performance Indicators (KPIs). The draft KPIs are presented in Table 8 below and are subject to Council review and consultation.

Table 8. Scheme Objectives and Success Indicators

Scheme Objective	KPI
1) To engage on and design a high-quality public realm scheme that addresses accessibility, safety and sustainability issues such as sustainable transport use, biodiversity, construction impacts, future-proofed street furniture (including lighting) and drainage design.	<ul style="list-style-type: none"> • Improved PCL (pedestrian comfort level) category • User perception surveys • Collision data (number of collisions; casualties) • Seating use: Increase in the number of users and an increase in dwell times • Increased footfall, daytime and night-time • Increased greening and biodiversity
2) To enhance Oxford Street’s brand in a way that respects its public realm’s historic character and enables diverse experiences for its residents, workers, and visitors	<ul style="list-style-type: none"> • Increase in footfall • Increase in the number of event permits granted • Increased retail revenue • Improved scores on perception survey • Increase in rented floor area; reduced vacancy rates
3) To develop management and maintenance approaches that will ensure that the quality of the public realm can be sustained in the long term	<ul style="list-style-type: none"> • Improved scores on perception survey
4) To support the future economic success of Oxford Street	<ul style="list-style-type: none"> • Increase in footfall • Increased retail revenues and/or local GVA • Reduced commercial floorspace vacancy rates

Some of these KPIs will need to be refined once the scheme designs have been progressed and any baseline data have been collected. Baseline data could include, for example, confirmation of the existing footway width, so that an informed target can be calculated.

The long-term impacts will be more difficult to measure and directly attribute to the scheme, but they are the expected logical consequences of the successful achievement of the scheme objectives. Longer-term monitoring is likely to include indicators such as:

- Visitor footfall and dwell time;
- Visitor and business perceptions of the public realm improvements; and
- Economic performance (including types of businesses in the area, rental values and vacancy rates).

3.5 Policy Context – The Business Strategy

There is a clear need for the intervention (as presented above), however, the proposed Oxford Street and Oxford Circus projects must also align with and support strategies and policies at the national, regional and local levels. Table 9 presents an overview of the alignment of key strategies and policies.

Appendix C provides a more detailed overview of the relevant strategies and policies.

Table 9. Alignment of relevant strategies and policies within the scheme

Level	Strategy /Policy	Alignment with the proposed scheme	Alignment
National	Build Back Better	Supports post-pandemic regeneration of key locations and economic recovery	✓
National	DfT Outcome Delivery Plan	Supports the creation of an inclusive environment promoting economic growth	✓
National	Net zero target for greenhouse gas emissions	Supports the creation of a more pedestrian friendly environment promoting sustainable modes over private vehicle use	✓
National	Decarbonising Transport		✓
National	National Infrastructure Strategy	Supports the provision of inclusive infrastructure facilitating economic growth	✓
National	Gear Change	Supports the creation of a sustainable transport system promoting active modes of transport	✓
Regional	The London Plan 2021	Supports London’s Good Growth objectives of building strong and inclusive communities, making best use of land, creating a healthy city, growing a good economy and increasing efficiency and resilience	✓
Regional	Central Activities Zone (CAZ), Supplementary Planning Guidance (SPG)	Supports the enhancement and promotion of London as a healthy city, global tourist destination and a key driver of the UK economy	✓
Regional	Accessible London: Achieving an Inclusive Environment	Supports the improvements of accessibility and inclusiveness features of the high street environment	✓
Regional	The Mayor’s Transport Strategy	Supports the healthy streets approach improving the people experience of London visitors and residents	✓
Regional	Healthy Streets for London	Supports the creation of healthy, vibrant and successful London environments	✓
Regional	Walking Action Plan	Supports the envisioned improvements in walking experiences reducing car dependency	✓
Regional	Vision Zero Action Plan	Supports road safety interventions	✓
Regional	Mayor of London’s Draft Culture Strategy	Supports equal access to London’s cultural infrastructure and enhances London’s inclusiveness improving people experience	✓
Regional	Culture and the Night-Time Economy SPG	Supports the creation of an inclusive environment promoting economic growth	✓

Level	Strategy /Policy	Alignment with the proposed scheme	Alignment
Local	Westminster City Plan	Supports the creation of a healthier and greener city and the preservation and attractiveness of areas of special architectural and historic interests	✓
Local	Fairer Westminster Strategy	Supports Westminster’s Fairer environment vision aimed at reducing air pollution, providing cleaner and safer streets and greener spaces	✓
Local	Westminster Way Supplementary Planning Document	Supports the redesigning of urban realms a destination for all people	✓
Local	Climate Emergency Action Plan	Supports the reduction of transport-based sources of emissions and air pollution through making sustainable modes more attractive	✓
Local	Air Quality Action Plan	Support WCC action plan for addressing air quality	✓
Local	Freight, Servicing and Deliveries Action Plan	Supports traffic flow improvement which will facilitate vehicle deliveries as well	✓
Local	A Partnership Approach to Open Spaces and Biodiversity in Westminster	Supports the strategy and the wider Wild West End project for placing value of biodiversity, seeking to protect, promote and enhance green assets	✓
Local	Cultural Strategy	Support equal access to London’s cultural infrastructure and enhances London’s inclusiveness	✓
Local	Fairer Economy Plan (new strategy currently under development)	Supports the creation of an inclusive environment providing equal opportunities to everyone	✓
Local	Walking Strategy	Supports the improvement of walking experience to increase the number of walking trips by all residents	✓
Local	Health and Wellbeing Strategy for Westminster	Supports the provision of more accessible spaces and a sustainable transport system which delivers health and wellbeing benefits and reduces pollution	✓
Local	Trees and Public Realm	Support the Council’s strategy to maintain or increase tree cover within the city	✓

3.6 Stakeholder Engagement

WCC previously undertook public and stakeholder engagement in the preparation of the Oxford Street District (OSD) Strategy and Delivery Plan. For a detailed consultation analysis see ‘Oxford Street District Strategy consultation analysis January 2019’ which was appended to a Cabinet Report (25th February 2019) for the programme. This is available online⁶⁶. This previous consultation focused on the wider OSD Strategy and Delivery Plan which covered a wider set of measures across the district.

The OSD Strategy and Delivery Plan’s consultation results are still relevant, but a further engagement event has also been undertaken. A ‘Living Room’ engagement event was undertaken on Thursday 8th December 2022 to get up to date, post-pandemic views of users’ experiences of Oxford Street.

⁶⁶ <https://committees.westminster.gov.uk/mgAi.aspx?ID=11359/>
<https://committees.westminster.gov.uk/documents/s31102/OSD%20Cabinet%20Report%20Feb%202019%20-%20Appendix%20A%20Consultation%20Analysis.pdf>

The event, undertaken by WCC staff, involved approaching members of the public across two locations along Oxford Street (one in the morning and another in the afternoon) to gather their views through interviews and a questionnaire. Furniture was set up to provide a ‘front-room type feel’, and members of the public were invited to be interviewed, and, with their permission, have their responses filmed. In addition, a questionnaire was developed, and respondents could complete this on their own devices using a QR code. To ensure these activities were accessible, paper copies were also provided, and WCC staff were available to complete the survey on a respondent’s behalf.

The engagement event collected the views of 204 respondents and the key findings were:

- Most people were in the area for shopping (52%); other trip purposes were for working (18%); en route to another destination (17%) or exploring the area (13%);
- The top improvements respondents would like to see were more planting (31%); more seating (27%), the area to be cleaner (26%) and making it easier to move along the footway (25%); and
- Crowding was overwhelmingly the top response for what respondents liked the least about Oxford Street (59%), followed by difficulty moving down the street (31%).

Stakeholder engagement will continue as the scheme develops and, where appropriate, will include the following groups:

- Local residents
- Local businesses
- Local campaign /interest groups
- Councillors and Cabinet Members
- Transport for London
- Other local transport operators (including taxi operators)
- Emergency services
- Neighbouring local authorities and the GLA

3.7 Risks and Constraints

3.7.1 Key Risks

A risk register has been produced for the Oxford Street Programme, identifying the key risks and providing an assessment of probability and impact against each risk. Consideration has also been given to appropriate mitigation actions, as set out in Section 6 (Management Case).

3.7.2 Constraints

Table 10 below presents an overview of the constraints identified, with further information distributed throughout the relevant cases.

Table 10. Overview of Project Constraints

Type of Constraint	Description
Physical	The Oxford Street project lies within the existing council highway boundary. The construction work may result in unexpected utilities being found which may impact design and construction. Furthermore, the Oxford Circus project is in an area of engineering difficulty as it is above a London Underground station requiring specific access and works (including hand digging) requirements to be met, including permission from Transport for London.

Environmental	A qualitative assessment of environmental impacts has been undertaken and is presented in the Economic Case.
Financial	The delivery of the Oxford Street project is predicated on 50% funding being invested by third parties – specifically local businesses. Whilst the same funding aspiration is aspired for the Oxford Circus project, conversations with local stakeholders are in their infancy and it is therefore assumed for the purposes of this document that the council will be funding 100% of this scheme. <i>Further details are presented in the Financial Case.</i>
Contractual	There are no expected contractual constraints that would inhibit the delivery of the projects. Further details on the type of contract proposed are provided in the Commercial Case.
Public and local stakeholder acceptability	Public and local stakeholder support are key to the success of the programme and the Oxford Street and Oxford Circus projects. The projects have and will continue to proactively engage local and other key stakeholders throughout design and construction and address any potential concerns around traffic displacement impacts, construction and temporary bus route relocations. <i>Further details on the past and future stakeholder engagement are provided in Section 3.6 and the Management Case.</i>

3.8 Dependencies

The projects have multiple inter-dependencies and are undoubtedly the most complex city centre (or equivalent) transformation projects in the UK. The key dependencies for the projects are:

- A reduction of the volume of buses on Oxford Street and Oxford Circus and traffic volume in general (including goods and commercial vehicles);
- The commissioning of works for Oxford Street including associated project planning, design and procurement;
- The co-ordination of works alongside private developments underway and planned in the Oxford Street to minimise disruption for all users;
- The approval of planning, highway and other major consents to be granted in time to allow the project to proceed;
- For utilities and statutory undertakers, managing their access during the Oxford Street and Oxford Circus works while efficiently delivering the construction programme;
- The implementation of the agreed Hostile Vehicle Mitigation (HVM) measures for key locations along Oxford Street and Oxford Circus. Bespoke solutions that complement the overall look and feel of the street and create a unique character and public realm are required;
- The consultation programme is ongoing, and the project designs and approach might need to be revised to incorporate feedback from residents and other stakeholders as schemes develop, such as traffic modelling, traffic management, amenity and the impact of construction works. The programme has the flexibility to incorporate reasonable changes where there is a strong rationale;
- Unnecessary delays and/ or costs. The coordination of all works (public realm and development) will be managed by the contractor in consultation with relevant stakeholders.

4. Economic Case

4.1 Introduction

This section sets out the Economic Case, which outlines the justification for investment and the expected value for money assessment of the proposed Oxford Street and Oxford Circus projects. Furthermore, it also provides the supporting narrative and evidence alongside the Strategic Case and objectives.

This case presents the appraisal of the Oxford Street and Oxford Circus projects to understand their potential costs and benefits; ultimately indicating whether the schemes provide benefits that are worth more than the costs of delivering them. The costs are presented throughout the Economic Case in 2010 prices, which is standard practice for economic appraisal and is in line with TAG guidance. 2010 is the standard year of costs and benefits reporting commonly used a business case with a transport element. The benefits in 2023 prices will be significantly higher (total net present value of benefits are likely to be around double those quoted in this section when calculated in 2023 prices)⁶⁷.

The appraisal has used appropriate and proportionate tools to monetise benefits for journey quality from the public realm and pedestrian environment improvements and the consequential collision savings that might also be generated. These benefits are directly attributable to the scheme and can be quantified.

To further support the case, wider economic impacts have also been considered. While these cannot be directly attributed to the Oxford Street and Oxford Circus projects as they are not directly measurable (i.e. the impact resulting from footfall increases, this could be due to several factors such as background growth or increased public transport connectivity from the Elizabeth Line), reasonable estimates have been applied to present and indicate value and to show the potential benefits to the local economy. These benefits would be delivered through the creation of construction jobs (both directly through construction jobs and indirectly through the supply chain) and through increased visitor footfall, which will induce additional spend in the local economy. Local businesses and landowners will also indirectly benefit through land and rental market value uplift as the area increases its attractiveness and competitiveness.

As noted previously, as designs are still in development the Economic Case makes use of the information which is currently available. Section 4.2 provides further detail on the options being assessed.

4.2 Options

Section 3.3 of the Strategic Case presents the full detail of the scope and the options considered in the Economic Case and summarised in Table 11 below. As outlined previously, the project is compared against a 'do nothing' scenario where the temporary measures installed along Oxford Street West are removed and a basic level of Council management and maintenance is continued. The cost for removing the temporary measures is £1.317m⁶⁸ and these £1.317m costs have been deducted from the Oxford Street project's budget.

⁶⁷ This is based on Department for Transport guidance. While this applies primarily to internal DfT business cases and business cases and funding bids being made to DfT, it has also been applied in this case, and was used in earlier cost-benefit analysis carried out on the Oxford Street Programme.

⁶⁸ £1.317m as per financial case with the inclusion of contingency (20%) and risk (20%); adjusted to £1.636m with the inclusion of optimism bias (46%) for use in the economic case

Table 11. Options Summary

Do nothing	<ul style="list-style-type: none"> • This option will incur costs for the removal of the temporary footway widening, seating and planting that was introduced in Oxford Street west during the COVID-19 pandemic. • The management of the space would continue to receive the basic level of Council maintenance and relevant highways services.
Oxford Street	<ul style="list-style-type: none"> • Additional and improved spaces to rest, with seating and shade and upgraded paving and accessibility throughout the area. • On certain junctions with sides street, agoras will be installed to provide gathering and resting spaces. These will be supplemented with seating and greening to create an oasis space for rest and play. • Hostile Vehicle Mitigation (HVM) measures
Oxford Circus	<ul style="list-style-type: none"> • Redesigning traffic turning movements (to permit ahead traffic movements only) generating a streamlined junction for traffic and pedestrian movement – reducing wait times for traffic and pedestrians. • Providing wider crossings – increasing capacity and improving pedestrian comfort. • Reducing the crossing width – reducing the time it takes for pedestrians to cross the street. • Hostile Vehicle Mitigation (HVM) measures

4.3 Economic Appraisal Methodology

4.3.1 Appraisal Approach

This section provides an overview on the appraisal methodology adopted. Further detail is presented within Appendix D (Transport Impacts Annex).

The economic appraisal of the proposed Oxford Street and Oxford Circus projects has been based on quantitative and qualitative assessments, as per the Department for Transport’s Transport Appraisal Guidance (TAG) units A1 and A2. In line with TAG and advice contained within the ‘Guidance for the Technical Project Manager’, an appropriate, proportionate, and transparent approach has been adopted to assessing the scheme options. There is a need tailor the appraisal’s level of detail to the stage of project development.

As defined in TAG Unit A2.1, there are three levels of analysis, each of which is based on the maturity of the analytical techniques. The valuation of some quantifiable impacts will be done at level 1, reflecting fixed land use and excluding wider economic impacts. However, as shown in Figure 12 below, wider impacts can be estimated, and a proportionate approach considered

here includes these wider impacts within an Adjusted Benefit-Cost Ratio. Impacts have been categorised based on the following criteria:

- Monetised and reported in the core Benefit-Cost Ratio (BCR).
- Monetised but their inclusion is reported in an adjusted BCR (due to the maturity of the analytical techniques).
- It is currently disproportionate or infeasible to monetise so qualitative analysis will be reported.

Economy	Environmental	Social	Public Accounts
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input checked="" type="checkbox"/> Business users & transport providers	<input type="checkbox"/> Noise	<input checked="" type="checkbox"/> Commuting and Other users	<input checked="" type="checkbox"/> Cost to Broad Transport Budget
<input type="checkbox"/> Reliability impact on Business users	<input type="checkbox"/> Air Quality	<input type="checkbox"/> Reliability	<input type="checkbox"/> Indirect Tax Revenues
<input checked="" type="checkbox"/> Wider Impacts	<input type="checkbox"/> Greenhouse gases	<input type="checkbox"/> Physical activity	
	<input type="checkbox"/> Landscape	<input checked="" type="checkbox"/> Journey quality	
	<input type="checkbox"/> Townscape	<input checked="" type="checkbox"/> Collisions	
	<input type="checkbox"/> Historic Environment	<input type="checkbox"/> Security	
	<input type="checkbox"/> Biodiversity	<input type="checkbox"/> Access to services	
	<input type="checkbox"/> Water Environment	<input type="checkbox"/> Affordability	
		<input type="checkbox"/> Severance	
		<input type="checkbox"/> Option and non-use values	

Figure 12. Appraisal Summary Table Impacts

This reflects TAG guidance that states that “it is currently infeasible or impractical to derive monetary values for some impacts. While these impacts will not form part of a monetised cost benefit analysis, the Green Book recognises their importance and recommends that supplementary techniques should be used to weigh up non-monetised impacts”.

In addition to Treasury Green Book and associated DfT guidance, as described above, the economic appraisal has also been undertaken in line with Transport for London (TfL) guidance relating to the valuation of specific transport and public realm-related benefits.

As indicated in Figure 12 above, the three key impacts which have been monetised are:

- Journey quality – Oxford Street and Oxford Circus;
- Collisions – Oxford Street and Oxford Circus; and
- User benefits, i.e. time savings (business users and transport providers, commuters and other users) – Oxford Circus only.

These are now briefly discussed in turn; additional detail is provided in Appendix D.

Journey Quality Benefits

TfL developed the Valuing Urban Realm Toolkit (VURT) to provide monetised assessments of the benefits of improving the urban realm. It captures, using willingness to pay values, the improvements in elements of urban realm such as effective width, permeability, and quality of environment. VURT provides outputs in 2016 prices, which for the purpose of this business case have been converted to 2010 market prices and discounted to 2010 according to TAG.

The first step is to undertake a Pedestrian Environment Review System (PERS) audit of the existing situation on the ground, capturing the relevant attributes. Scheme designs are then used to assess the improvements to each of the attributes. These monetised values are then applied to the existing and new pedestrian users. The pedestrian footfall numbers have been generated using data from a 12-month period of two pedestrian counts on Oxford Street (September 2021-August 2022). This has been increased by 13% to reflect the opening of the Elizabeth Line⁶⁹.

As noted within the Strategic Case, recent pedestrian footfall is still considerably lower than pre-Covid levels. To calculate the impacts of the schemes, a conservative assumption has been made, i.e., the potential uplift in footfall will be equal to a return to pre-Covid levels of footfall. This is equal to a 28% uplift which corresponds with the supporting evidence as included within Appendix B. Appendix B concludes that a 10-30% uplift can be anticipated. Therefore because the COVID-19 pandemic suppressed footfall, a value at the higher end of the scale is deemed justifiable.

This is deemed to be conservative on the basis that the future pedestrian footfall will only return to and be maintained at pre-Covid pandemic levels across the full appraisal period. It is more likely that footfall will continue to grow over the appraisal period particularly in consideration of the impact of the Oxford Street and Oxford Circus project proposals on improving the attractiveness of the street and dwell time.

Collision Reduction Benefits

Collision assessment tools typically quantify benefits from a reduction in car kilometres. This impact is yet to be modelled for the projects, and due to the wider improvement for pedestrians (including reducing conflict between users) it was deemed appropriate to undertake a bespoke appraisal. STATS19 collision data was analysed to identify potentially avoidable collisions.

A bespoke spreadsheet was created to approximate the likely benefits from these avoided collisions. A cost for each collision was calculated using TAG Table A4.1.1, based on the number of casualties associated with each collision and the severity of these casualties. The resultant values were summed and divided by six to give an average annual casualty cost to be potentially saved. Using the 2027⁷⁰ values for collision savings the benefits of casualty avoidance have been assessed over a 20-year appraisal period. In line with TAG and to ensure comparability between all costs and benefits, these annualised values have then been deflated and discounted to 2010 values and prices in line with TAG. This is considered a proportionate and appropriate approach for the nature of the scheme.

⁶⁹ Colliers report Sept-22 NWECC Elizabeth Line Study

⁷⁰ 2027 values are used as a proxy for the opening year of the scheme

The assessment disaggregated the collisions between Oxford Street and Oxford Circus by applying a 50-meter buffer around Oxford Circus. This has ensured that no double counting of benefits has occurred. Benefits to security because of hostile vehicle mitigation measures are not possible to monetise but would be significant.

Pedestrian Journey Time Savings

Detailed pedestrian modelling and journey time impact assessments have not been undertaken for the whole project area, but a high-level model based on the signal operational changes has been created for Oxford Circus (using LinSig) owing to the significant improvements there. Values were extracted for the average delay (seconds) per pedestrian as a result of the proposed junction changes. This represents the average wait time for a pedestrian to cross each of the streets at the junction during a typical weekday morning and evening peak hour. Significant benefits were expected due to shorter crossing distances, longer pedestrian green periods, and shorter pedestrian red periods allowing for more efficient movement of pedestrians.

A bespoke spreadsheet was created to approximate the likely benefits for pedestrians under the proposed junction redesign. The bespoke spreadsheet calculated an average delay saving per pedestrian (from the junction model as described above) and multiplied this saving across the annual demand accounting for existing demand and forecasted uplift (with values consistent with the inputs from the journey quality assessment). A 60-year appraisal period was used to reflect the likely legacy of the changes and lifespan on the assets.

4.3.2 Assumptions

The approach follows a standard appraisal framework and aligns with TAG. All assumptions are based on TAG guidance unless explicitly stated. A summary of the key appraisal assumptions is identified below:

- An opening year of 2026 for both the Oxford Street and Oxford Circus projects (the full first year of benefits following opening⁷¹);
- An appraisal period of 20 years from opening for the public realm journey quality benefits and 60 years for the journey time savings and collision benefits (this reflects the likely minimum asset life of the infrastructure although this is likely to be longer);
- Discount rate of 3.5% (for the first 30 years of the appraisal period, dropping to 3% thereafter), in line with the Treasury Green Book and Departmental guidance;
- Values of collisions, value of time and growth in values of time based on DfT's WebTAG (current version published January 2023);
- All discounted costs and benefits have been converted to 2010 prices and values, in line with TAG Unit A1.1 (Cost Benefit Analysis); and
- The impacts of the proposed options are all presented relative to the Do-Nothing scenario.

⁷¹ In line with appraisal guidance, the appraisal calculates benefits from the first full year of opening after construction; this has been estimated as 2027 for both projects from the programme plan (see Section 7.6)

4.3.3 Assessment Scenarios

Table 12 below sets out the scenarios used to assess the schemes, including the values used in each scenario, the table tracks which economic impact each of the key parameters contributes to.

Table 12. Overview of Assessment Scenarios and Parameters Used

Parameter	Relevant economic impact(s)	Scenario						
		Do nothing (baseline)	Core	30-year appraisal period	Oxford Circus 30% cost reduction	High economy	Low economy	
Appraisal period (years)	Journey quality	Same as scenario tested	20 years	30 years	20 years	20 years	20 years	
	Collisions		60 years					
	Journey time benefits		60 years					
	Construction impacts: GVA uplift		20 years	30 years	20 years	20 years	20 years	
	Economic activity and jobs uplift		20 years	30 years	20 years	20 years	20 years	
Baseline footfall (annual)	Journey quality, Visitor spending, Journey time savings	36,702,859						
Footfall uplift percentage	Journey quality, Visitor spending, Journey time savings	N/A	28.36%			38.36%	18.36%	
Resultant annual footfall with uplift	Journey quality, Visitor spending, Journey time savings	36,702,859	47,112,426 (+10.410m)			50,782,112 (+14.080m)	43,442,141 (+6.729m)	
Average journey time delay (saving) in seconds	Journey time savings	53.55	21.80 (31.75)					
Labour coefficient (workers per £m output per year, 2011 prices)	Wider impacts (construction job creation)	13.9						
Months at work for construction jobs	Wider impacts (construction job creation)	18						
Induced effect multiplier for construction jobs	Wider impacts (construction job creation)	2.11						
'Leakage effect' factor	Wider impacts (construction job creation, visitor spending job creation)	0.9						
Average visitor spend	Visitor spending	£75			£100	£50		
% leisure/retail spending split	Visitor spending	61%						

% of new footfall leading to purchases that wouldn't otherwise happen	Visitor spending	5%
Retail job displacement	Visitor spending	20%

The scenarios are described in more detail below.

4.3.3.1 Baseline scenario

The baseline scenario is a 'do nothing' situation, a scenario where the temporary measures installed along Oxford Street West are removed and a basic level of Council management and maintenance is continued.

The cost for removing the temporary measures is £1.317m and these costs have been deducted from the Oxford Street project's costs.

The baseline annual footfall is based on a rolling annual average from September 2021 to August 2022, with a 13% uplift to reflect the opening of the Elizabeth Line⁷⁵). This gives an annual value of 36,702,859.

For Oxford Circus, the baseline modelled journey time delay is 53.55 seconds – there is no journey time saving in the baseline scenario as there will be no improvements delivered.

The baseline average visitor spend is £75, which has been estimated based on values taken from the bands of spending in a West End Perception survey conducted by Lake Market Research.

4.3.3.2 Core Scenario

The core scenario is the central scenario used to assess the scheme against the do-nothing scenario.

The core scenario footfall represents a 28% uplift compared to the baseline scenario, this corresponds with supporting evidence within Appendix B which concludes that a 10 - 30% uplift can be anticipated as a result of schemes of this nature. The core scenario footfall is a value of 47,112,426, an increase of 10,409,567.

For Oxford Circus, the modelled journey time delay in the core scenario is 21.80 seconds, which represents a saving of 31.75 seconds against the baseline do-nothing scenario.

The Core scenario average visitor spend is £75 in line with the baseline, which has been estimated based on values taken from the bands of spending in a West End Perception survey conducted by Lake Market Research. This represents the middle value of the band (£50-£100).

With regards to visitor spending, a conservative assumption has been adopted that only 5% of the additional footfall will spend in line with the average visitor expenditure value.

4.3.3.3 High Economy Scenario

The high economy scenario is an optimistic scenario used as a proxy to reflect better-than-expected national economic conditions, relative to those anticipated (central estimations) by the UK government. The resulting expectation is therefore for higher footfall and higher average spending under these conditions.

The high economy annual footfall represents a 10 percentage point higher uplift compared to the core scenario, resulting in a revised annual footfall figure of 50,782,712. This is an increase of 3,669,686 compared to the core scenario.

For Oxford Circus, the modelled journey time delay remains the same as in the core scenario, at 21.80 seconds (representing a saving of 31.75 seconds).

The high economy average visitor spend is £100, which has again been estimated based on values taken from the bands of spending in a West End Perception survey conducted by Lake Market Research. This represents the upper boundary of the band (£50-£100)

In line with the core scenario, only 5% of the additional footfall will result in additional spending.

4.3.3.4 Low Economy Scenario

The low economy scenario is a pessimistic scenario used as a proxy to reflect worse-than-expected national economic conditions, relative to those anticipated (central estimations) by the UK government. The resulting expectation is therefore for lower footfall and average spending under these conditions.

The low economy annual footfall represents a 10 percentage point lower uplift compared to the core scenario (to 18.36% down from 28.36%), resulting in a revised annual footfall figure of 43,442,141. This is a decrease of 3,670,285 compared to the core scenario.

For Oxford Circus, the modelled journey time delay remains the same as in the core scenario, at 21.80 seconds (representing a saving of 31.75 seconds).

The low economy average visitor spend is £50, which has again been estimated based on values taken from the bands of spending in a West End Perception survey conducted by Lake Market Research. This represents the lower boundary of the band (£50-£100).

In line with the core scenario, only 5% of the additional footfall will result in additional spending.

4.4 Monetised Impacts

The assessment of the proposed Oxford Street and Oxford Circus projects' impacts are split into the monetised impacts and non-monetised impacts in line with Figure 12. This section presents the outcomes of the monetised economic impacts.

4.4.1 Journey Quality

The primary benefit of the proposed public realm improvements along Oxford Street and around Oxford Circus is to significantly improve journey quality by making the space more pedestrian friendly through measures such as wider pavements and crossings, additional greening and the provision of agoras at selected side streets to create places for respite and dwelling. There is also an opportunity for wayfinding within the scheme to highlight access to nearby green spaces.

As detailed above, this has been assessed in VURT, which assesses the benefits of improving the urban realm. These benefits have been quantified over the appraisal period and estimated at £52.94m for Oxford Street and £6.99m for Oxford Circus (values deflated and discounted to 2010 prices).

4.4.2 Collisions

Both projects will provide more space for pedestrians which will reduce the conflict between motorised and non-motorised users. At Oxford Circus specifically the pedestrian's footway space is expected to increase by 40% which will help accommodate peak footfall.

As set out in section 4.3.1, a bespoke collision prevention assessment has also been calculated. The results of this are estimated at £35.78m for Oxford Street and £3.07m for Oxford Circus across a 60-year appraisal period (values deflated and discounted to 2010 prices).

4.4.3 Journey Time Benefits

Both projects will improve the flow of pedestrians along Oxford Street and through Oxford Circus. At Oxford Circus, the proposed junction redesign reduces delays for pedestrians and vehicles, generating journey time benefits for all users.

As set out in section 4.3.1, a bespoke journey time savings assessment has been undertaken. This showed that on average each pedestrian would save 32 seconds (calculated using average savings in the morning and evening peak) under the new junction arrangement. This equates to £19.16m of benefits across a 60-year appraisal period (values deflated and discounted to 2010 prices).

4.4.4 Wider Economic Impacts

As outlined in Figure 12, due to the maturity of analytical techniques an indicative wider economic benefits assessment has been conducted using a bespoke spreadsheet approach. As such, the benefits from construction employment and additional visitor spending have been included within an adjusted BCR.

Construction Impacts: GVA Uplift

As detailed in Appendix D (Transport Impacts Annex), construction impacts have been estimated from the number of construction jobs being created:

- **Directly** – through direct construction jobs created as a result of the projects being delivered; and
- **Indirectly/induced** – through purchasing down the supply chain; otherwise known as the 'multiplier effect' which demonstrates that an initial investment can have much larger economic benefits as this expenditure is diffused through the economy.

The construction phase of the proposed projects will also make a considerable contribution by generating additional Gross Value Added (GVA). GVA is a measure of the difference between what is produced as an output (goods and services) and the inputs (such as raw materials and semi-finished products) used in the production of the output. It represents the additional value that is added through economic activity.

Based on the scheme costs, the assessment has estimated the number of jobs that will be created. The number of jobs created can then be used to estimate the GVA effects using the

ONS 2022 release of Output per Job on GVA per FTE job (a value of £71,041 per job per year). This has been applied for the 18 months of scheme construction.

An induced effect multiplier of 2.11 has been used in the calculation of indirect jobs in terms of investment jobs (construction). The way this is used in the calculation means that for every 10 jobs created in construction, there are 11 jobs created as indirect jobs. Based on discussions with the council and a review of the Green Book place-based multipliers, a ‘leakage’ factor of 0.9 has been used, as the indirect jobs created are expected to be in the non-traded sector (e.g., retail, hospitality).

Table 13 summarises the monetised benefits.

Table 13. Monetised Benefits - Construction Job Creation

Base Cost	Oxford Street		Oxford Circus	
	Total Direct GVA Benefit	Total Indirect GVA Benefit	Total Direct GVA Benefit	Total Indirect GVA Benefit
2022 price	£42.43m	£42.39m	£17.50m	£17.49m
2010 price (deflated)	£31.08m	£31.05m	£12.91m	£12.90m
2010 price (deflated and discounted)	£18.64m	£18.62m	£7.97m	£7.97m

Using the scheme costs to estimate the number of additional construction jobs, the Oxford Street and Oxford Circus projects are anticipated to create 597 Full Time Equivalent (FTE) jobs directly within construction for Oxford Street and 246 FTE at Oxford Circus. This number may be higher, as the costs for Oxford Circus reflect a 30% higher value compared to other projects due to being more labour intensive. This estimate has been provided by the OSP design and build contractor and this is due to the approvals and restrictions that will be applied by LUL (London Underground Limited) including around vibration, fire and access, working times, and restricted access.

The direct jobs contribute approximately £71k of annual GVA per FTE worker. These jobs have been spread across the estimated construction timescales (18 months for Oxford Street and 12 months for Oxford Circus; see section 7.6), which when rebased and deflated to 2010 values equates to £18.64m for Oxford Street and £7.97m for Oxford Circus.

The scheme is also anticipated to support 597 FTE jobs indirectly within the wider supply chain for Oxford Street and 246 FTE for Oxford Circus. This is expected to generate a further £18.62m and £7.97m respectively.

GVA uplift for direct jobs and indirect job is included only in the adjusted BCR.

Economic Activity and Jobs Uplift

One of the key objectives of the projects is to create a “high quality public realm scheme that addresses accessibility, safety and sustainability issues”. Furthermore, the Oxford Street and Oxford Circus projects aim to enhance the actual and perceived comfort and security of the pedestrian environment for existing users.

The scheme will also induce increased appeal which will encourage more visitors, thereby supporting local businesses in the area. This additional footfall will support additional retail and leisure expenditure along and off Oxford Street.

Therefore, the core scenario has assumed that the public realm improvements will help to restore pedestrian footfall back to pre-Covid levels. This assumption is deemed conservative as additional growth on pre-Covid levels would be expected in the long-term. As a result of the scheme a 28% uplift has been assumed based on the last 12 months of observed footfall data compared against 2019 (uplifted by 13% to reflect the opening of the Elizabeth line).

A conservative approach has been adopted to assume that not all additional footfall will result in additional expenditure. The annual expenditure figures have been conservatively applied to only 5% of the 28% footfall uplift expected from the scheme improvements. Additional visitor spend is estimated at an average value of £75 in the core scenario, based on values taken from the bands of spending in a West End Perception survey conducted by Lake Market Research.

This has been calculated as an additional £23.81 million visitor spending per annum (in 2022 prices). It is estimated that over the 20-year appraisal this would generate over £135.82m in additional visitor spending (deflated and discounted to 2010 prices). This has been applied to Oxford Street only.

Furthermore, this additional visitor spend can induce further job creation by converting additional turnover into the creation of FTE jobs (further detail provided in Appendix D). Whilst accounting for potential displacement, the number of gross direct jobs estimated to be created is 30 net direct FTE jobs per year.

For the visitor spend, the direct jobs created includes a 20% displacement reduction. No indirect jobs have been calculated, but the number is expected to be small (less than 10). For completeness, the 0.9 'leakage' factor has again been used, as the indirect jobs created are once again expected to be in the non-traded sector (e.g., retail, hospitality).

The number of jobs created can then be used to estimate the GVA effects using the ONS 2022⁷² release of Output per Job on GVA per FTE job in the retail sector (a value of £45,665 per job per year). Applying this to the net direct employment impact of the scheme (as derived above), it is estimated that £1.38m of GVA per annum could be supported, which over a 20-year appraisal period equates to an PVB of £7.86m of GVA total.

This assessment uses the same assumptions on footfall as the pedestrian journey quality benefits outlined above. The monetised benefits are considered to be conservative due to:

- Firstly, applying conservative uplift to future pedestrian footfall with a 28% uplift over the appraisal period to reflect scheme improvements and a 13% uplift to reflect the opening of the Elizabeth Line (as outlined in the Strategic Case, pre-Covid, the assumption was that the Elizabeth Line's opening would increase underground station entries and exits by 55%);
- Secondly, only applying additional visitor spend to leisure footfall (estimated using O2 phone data) which likely underestimates local spend from other trips (e.g. local office workers and local residents).

4.4.5 Summary of Monetised Benefits

Table 14 below summarise the monetised benefits that have been considered in this appraisal.

⁷² ONS, (2022); Output per Job UK [Available at: [Output per job, UK - Office for National Statistics \(ons.gov.uk\)](https://ons.gov.uk)]

**Table 14. Overview of monetised benefits
(£m in 2010 market prices, discounted and deflated)**

Impact		Oxford Street	Oxford Circus
Journey quality improvements		£52.94	£6.99m
Collision reduction		£35.78m	£3.07m
Journey time savings		N/A	£19.16m
Wider economic benefits	GVA uplift from direct construction jobs	£18.64m	£7.97m
	GVA uplift from indirect construction jobs	£18.62m	£7.97m
	Additional visitor spending	£135.82	N/A
	GVA uplift from net direct retail employment	£7.86m	N/A
Total Benefit		£269.66m	£45.15m

4.5 Non-monetised Impacts

This section summarises the non-monetised impacts' assessments which have not been quantified. As outlined in Figure 12, due to the maturity of some analytical techniques it is not 'feasible' or 'practical' to attribute monetised values to some impacts. Nonetheless, it is important to consider these benefits and the potential value that they could add in addition to those which have been monetised.

Table 15 below provides an overview of the non-monetised impacts. Additional detail is provided in Appendix D.

Table 15. Overview of Non-monetised Impacts

Category		Score	Oxford Street	Score	Oxford Circus
Economy	Business users and transport providers	Neutral	The improvements target the journey quality benefits for pedestrians. As business users and transport providers typically would use public transport, taxis or private vehicles to travel, the assessed impact is neutral. The Oxford Street scheme will investigate opportunities to accommodate electric vehicle charging points and cycle parking spaces on side streets to support sustainable travel.	Slight benefit	Journey times for taxis and buses will be improved due to the traffic bottleneck at Oxford Circus being addressed. Taxis will benefit from increased rank provision particularly in the evening which will help support the night-time economy.
	Reliability impact on business users and transport providers	Neutral	Non-retail business and landowners in the area are expected to benefit from the public realm improvements due potential land and rental value uplifts.	Slight benefit	Due to the redesign of Oxford Circus, the existing traffic bottleneck will be addressed and will reduce delays at the junction and the surrounding streets, generating a benefit to transport providers and business users.
Environment	Noise	Slight benefit	The scheme restricts the width of the carriageway and diverts some traffic away from Oxford Street; thereby generating a slight benefit for noise.	Slight benefit	The purpose of the proposed changes to Oxford Circus is to address the existing traffic bottleneck. This will reduce stationary traffic sat idling at the junction and the surrounding streets. This will generate a slight benefit to noise.
	Air Quality	Slight benefit	Motor vehicle emissions will not be impacted significantly as the reassignment of vehicles onto surrounding streets is negligible. Many other routes are also more direct through the removal and simplification of one-way systems and the overall it is expected to provide a slight benefit.	Neutral	Motor vehicle emissions will not be impacted significantly through the proposed changes at Oxford Circus.
	Landscape	Not Applicable	The scheme is entirely within a London borough and has no impact on landscape.	Not Applicable	The scheme is entirely within a London borough and has no impact on landscape.
	Townscape	Slight Benefit	Oxford Street is located close to several conservation areas designated by Westminster City Council based on 'special architectural and historic interest'. Oxford Street is often named as the boundary to these conservation areas and the proposed improvements will enhance the public realm and local character.	Slight benefit	The improvements to Oxford Circus will reduce the dominance of motor traffic in the area. In combination with more space for pedestrians this will enhance the public realm and local character.
	Historical Environment	Slight Benefit	While Oxford Street includes several listed buildings, the proposed measures will not directly impact on the locally or nationally listed buildings. The public realm improvement, however, will enhance the context and alter the setting of the historic built environment, increasing its visual prominence and priority within the urban landscape.	Slight Benefit	The proposed junction changes at Oxford Circus will add footway and enhance public space and setting for local architecture.
	Water Environment	Slight Benefit	The Oxford Street project will look to improve upon the current drainage system through the provision of additional drains and investigate the introduction of sustainable urban drainage systems (SUDs) to future proof drainage and support flood and climate resilience. Greening	Slight Benefit	The proposals will look to improve upon the current drainage system through the provision of additional drains where possible.

Category		Score	Oxford Street	Score	Oxford Circus
			maintenance, which includes watering, is a key consideration which will be addressed throughout the design process and in the management plan for the project.		
	Biodiversity	Slight Benefit	The public realm improvements propose additional greening including tree planting to not only provide interest, shade and ameliorate heat stress but will be designed to increase biodiversity gain. Planting will support the creation of green corridors to support a biodiverse ecological connection between green spaces along Oxford Street and within the wider Oxford Street area and adjoining neighbourhoods (including Grosvenor, Manchester, Hanover and Cavendish Squares). This in support of the Wild West End initiative and planned in such a way to maximise its impact. The species selected will introduce a rich, colourful and diverse vegetation which will attract pollinators and birds. This will also improve the wellbeing of residents, workers and visitors.	Neutral	The scheme will have minimal impact on biodiversity. The exact location of planting is still to be confirmed for the Oxford Circus scheme as design has yet to commence however it is unlikely to be extensive due to the shallow underground and concentration of utilities and the need to prioritise pedestrian safety and comfort. Any tree planting and greening will be planned in conjunction with the Wild West End project to maximise the benefits to biodiversity.
Society	Commuting and Other Users	Neutral	The scheme is expected to improve journey quality for pedestrian trips but have minimal improvements on journey times.	Moderate Benefit	The scheme is expected to improve journey quality for pedestrian trips and also have improvements on pedestrian journey times by reducing wait times at the crossings. For commuting and other trips utilising motorised modes users might experience slight journey time benefits due to the junction redesign addressing the traffic bottleneck.
	Reliability impact on commuting and other users	Neutral	As above, some pedestrian trips might experience slight improvements due to increased space for pedestrians and pedestrian prioritisation measures.	Slight Benefit	The junction redesign results in a shorter wait time for pedestrians and motorised vehicles as there is no longer a dedicated phase for pedestrians (due to the junction only permitting the ahead movements only).
	Physical Activity	Slight Benefit	Improvements are unlikely to generate additional physical activity due to not being likely to generate mode shift. However, the improvements may encourage pedestrian users of Oxford Street to walk further distances due to improved comfort and security.	Neutral	The junction redesign will have limited impact on physical activity.
	Security	Moderate Benefit	The projects will have significant impact on security through improved surveillance, positive landscaping, increased lighting and visibility; and further hostile vehicle mitigation measures being installed.	Major Benefit	The scheme will have significant impact on security through the installation of hostile vehicle mitigation measures to address Oxford Circus being identified as a very high to high terrorist risk.

4.6 Scheme Costs

Capital and maintenance costs have been provided by WCC and are discussed in further detail within the Financial Case. This section presents how the costs have been processed for economic appraisal purposes.

4.6.1 Capital and Maintenance Costs

For the purposes of the Economic Case the overall total project costs are £139.8m for Oxford Street and £39.6m for Oxford Circus⁷³. Full details of the breakdown of costs are provided in the Financial Case.

In line with DfT guidance, for the purposes of the Economic Case the scheme costs:

- Have been adjusted to market prices using a market price adjustment⁷ of 19% to all costs (this reflects the average rate of indirect taxation) to ensure that costs and benefits are in the same unit of account;
- Include a 46% optimism bias allowance to reflect the early design stage (in line with TAG Unit A1.2);
- Account for inflation; and are
- Discounted and deflated to 2010 prices (standard DfT practice for business cases with a transport component).

In addition, the scheme costs have also included the allowances for maintenance/management and monitoring and evaluation:

- Maintenance and management – current maintenance covers a baseline level of cleaning and litter removal which is supplemented by third party funding. The projects will reduce short term maintenance costs but will increase costs in the medium to long term due to higher quality materials. While funding for this has yet to be secured, for completeness the Economic Case has included an estimated at 1% of the construction costs and has assumed more substantial maintenance would occur every five years after scheme opening;
- Monitoring and evaluation – as above, while funding has yet to be secured, for completeness within the Economic Case an estimate of 0.5% of the construction costs has been included to cover any spend associated with monitoring and evaluation such as traffic counts and perception surveys. The assumed spend that has been included is 20% in 2023 (baseline surveys), 25% in 2027 (post opening year 1), 25% in 2032 (post opening year 5) and then 10% in 2037, 2042 and 2047 to account for any additional monitoring every 5 years.

The calculation of Present Value Cost (PVC) has been developed using a bespoke spreadsheet, in line with TAG unit A1.2 and TAG cost proforma. A summary is presented in Table 16 below.

Given that the schemes involve changes to the public highway, opportunity costs (related to the alternative use of land) are not applicable.

⁷³ These values represent the economic case capital costs, which have slightly different processes applied compared to the financial case (this includes adjustments for VAT, optimism bias rather than risk and contingency in the financial case), allowances for maintenance and monitoring and evaluation; and for Oxford Street the deduction of the do nothing costs from total capital costs)

Table 16. Summary of Present Value Costs (PVC) (Deflated and discounted to 2010 prices) [NB. Figures rounded so may not sum]

	Oxford Street ⁷⁴	Oxford Circus ⁷⁵
Profiled cost (2020 indexed price, including optimism bias and VAT)	£139.80m	£39.66m
Present Value Cost (PVC) (deflated and discounted to 2010 price)	£61.53m	£17.13m
PVC (WCC)	£30.40m ⁷⁶	£17.13m
PVC (Third Party)	£31.14m	-

4.6.2 Indirect Tax Revenues

Indirect tax revenues typically relates to changes in fuel consumption which indirectly impacts the taxes received to the central government due to changes in fuel duty received. In this instance, no indirect tax revenue has been calculated primarily due to no additional traffic modelling outputs being available. Initial modelling, however, indicates negligible changes to the overall distances travel by vehicles as route reassignment is minimal. Many other routes are also more direct through the removal and simplification of one-way systems so overall it is expected to be neutral. Therefore, the impact on indirect tax will be negligible due to minimal changes in fuel consumption.

4.7 Analysis of Monetised Costs and Benefits

As discussed previously (see section 4.3.1) the results are presented as a ‘Basic’ Benefit-to Cost Ratio (BCR) and an ‘Adjusted’ BCR reflecting the maturity of analytical techniques. The basic BCR therefore includes:

- Journey quality – Oxford Street and Oxford Circus;
- Collisions - Oxford Street and Oxford Circus;
- User Benefits i.e. time savings (Business Users and transport providers / Commuting and other users) – Oxford Circus only.

The Adjusted BCR incorporates some of the potential wider economic impacts of the projects. This reflects the maturity of the analytical techniques and therefore demonstrates the potential wider reaching impact of the projects.

Table 17 summarises all the monetised costs and benefits for both projects individually.

⁷⁴ Include deduction of the ‘do nothing’ costs

⁷⁵ For the purposes of this business case it has been assumed that the Oxford Circus costs are met by WCC. However, there is a clear expectation that external partner funding will be provided following ongoing discussions. If funding is secured the cost to WCC will be reduced and the BCR/VfM will be improved

⁷⁶ Note WCC PVC is slightly lower due to the deduction of the do-nothing costs

**Table 17. Analysis of Monetised Costs and Benefits
(£m in 2010 market prices, discounted and deflated)**

	Oxford Street		Oxford Circus
	WCC ⁷⁷	Total	Total
Journey Quality	52,937m		6,985m
Collisions	35,776m		3,066m
Economic Efficiency: Consumer Users (Commuting)	-		9,067m
Economic Efficiency: Consumer Users (Other)	-		10,019m
Economic Efficiency: Business Users and Providers	-		0.70m
Total Present Value of Benefit (PVB)	88,713m		29,207m
Present Value of Cost (PVC)	30,395m	61,535m	17,127m
Net Present Value (NPV)	58,318m	27,178m	12,080m
Basic Benefit Cost Ratio (BCR)	2.92	1.44	1.71
Value for Money Category	High	Low	Medium

Table 17 shows that the Oxford Street project delivers a BCR of 1.44 for the Council, representing a 'low' value for money⁷⁸.

Table 17 shows that the Oxford Circus project delivers a BCR of 1.71 for the Council, representing a 'medium' value for money. As outlined in the Financial Case, there is an expectation that third party funding would be secured to support this.

Table 18 below considers the wider economic benefits which could be realised, and these are summarised within an adjusted BCR. This shows that considering the impact on GVA (through job creation and increased visitor spending) this significantly increases the monetised benefits. For Oxford Street, this generates a BCR of 4.38, representing a 'very high' value for money. For Oxford Circus, this generates a BCR of 2.64, representing a 'high' value for money.

**Table 18. Analysis of Monetised Costs and Benefits – Adjusted BCR
(£m in 2010 market prices, discounted to 2010)**

	Oxford Street		Oxford Circus
	WCC	Total	Total
Journey Quality	52.937m		6.985m
Collisions	35.776m		3.066m
Economic Efficiency: Consumer Users (Commuting)	-		9.067m
Economic Efficiency: Consumer Users (Other)	-		10.019m
Economic Efficiency: Business Users and Providers	-		0.70m
Direct Job Creation (GVA)	18.642m		7.975m
Indirect Job Creation (GVA)	18.623m		7.967m
GVA Increase from Visitor Spending	135.819m		-
GVA Increase from Visitor Spending - Additional Job Supported	7.864m		-

⁷⁷ Due to the treatment of costs (including deduction of do-nothing costs) the third-party funders BCR and value for money would be slightly lower

⁷⁸ The value for money categories used for the DfT when BCRs are: 0-1 (poor); 1-1.5 (low); 1.5-2.0 (medium); 2.0-4.0 (high) and 4+ (very high)

YesTotal Present Value of Benefit (PVB)	269.661m		45.148m
Present Value of Cost (PVC)	30.395m	61.535m	17.127m
Net Present Value (NPV)	239.267m	208.127m	28.022m
Initial Benefit Cost Ratio (BCR)	8.87	4.38	2.64
Value for Money Category	Very High	Very High	High

The Appraisal Summary Table, Public Accounts Table, Transport Economic Efficiency Table and Analysis of Monetised Costs and Benefits Table for the Oxford Street and Oxford Circus projects are provided in Appendix E.

4.8 Sensitivity Tests

In order to demonstrate the robustness of the Economic Case, it is typical to illustrate how the benefits, costs and value for money change under different scenarios and assumptions. The following factors have been assessed:

- Oxford Circus 30% cost reduction⁷⁹ – due to the physical constraints (see Table 10) around the construction of the scheme, this looks to demonstrate what the situation would be if the construction methods were standard (i.e. not accounting for special construction circumstance). The contractor estimated that the cost would be reduced by 30%.
- 30-year appraisal period – the core scenario assumes a 20-year appraisal period (60 years for accident and journey time benefits). This is a deliberately conservative approach and the lifespan of the infrastructure would likely be extended with the inclusion of ongoing maintenance to prolong the infrastructures longevity.
- High economy (optimistic) scenario, incorporating a 10 percentage point increase in footfall uplift (to 38.36% up from 28.36%) and a £100 average visitor spend (up from £75).
- Low economy (pessimistic) scenario, incorporating a 10 percentage point decrease in footfall uplift (to 18.36% down from 28.36%) and a £50 average visitor spend (down from £75).

4.8.1 30 Year Appraisal Period

Tables 19 and 20 below provide a summary of the impact which the 30-year appraisal period these sensitivity tests has on the potential outcomes. These demonstrate that a 30-year appraisal period increases the BCR markedly given that the journey quality and visitor spending benefits persist for an additional 10 years under this scenario.

Table 19. Sensitivity Test Outcomes - Oxford Street 30 Year Appraisal (£m in 2010 market prices, discounted to 2010)

	Basic BCR		Adjusted BCR	
	30y Appraisal Period		30y Appraisal Period	
	WCC	Total	WCC	Total
PVB (£000)	109,710m		330,988m	
PVC (£000)	30,395m	61,535m	30,395m	61,535m
NPV (£000)	79,316m	48,175m	300,593m	269,453m
BCR	3.61	1.78	10.89	5.38
Value for Money Category	High	Medium	Very High	Very High

⁷⁹ 30% estimated by the OSP design and build contractor who suggested that the work around Oxford Circus would result in a circa 30% uplift in the costs due to the approvals and restrictions that will be applied by LUL (London Underground Limited) including around vibration, fire and access, working times, and restricted access.

**Table 20. Sensitivity Test Outcomes - Oxford Circus 30 Year Appraisal
(£m in 2010 market prices, discounted to 2010)**

	Basic BCR	Adjusted BCR
	30y Appraisal Period	30y Appraisal Period
	WCC	WCC
PVB (£000)	31,977m	47,919m
PVC (£000)	17,127m	17,127m
NPV (£000)	14,851m	30,792m
BCR	1.87	2.80
Value for Money Category	Medium	High

4.8.2 Oxford Circus Cost Reduction

The design and build contractor estimated that the proposed changes to Oxford Circus would result in approximately 30% higher costs due to the approvals and restrictions that will be applied by LUL (London Underground Limited) including around vibration, fire and access, working times, and restricted access. As such this sensitivity tests looks to demonstrate what the situation would be if the construction were using standard methods (i.e. not accounting for special construction circumstance). Therefore, the cost would be reduced by 30%.

Table 21 below provides a summary of the impact which the Oxford Circus 30% cost reduction sensitivity test has on the potential outcomes for the assessment of the Oxford Circus part of the scheme (the Oxford Street results are unaffected).

The 30% cost reduction sensitivity test at Oxford Circus demonstrates that excluding the price uplift applied due to the physical constraints, the BCR would be in the high category

Table 21. Sensitivity Test Outcomes - Oxford Circus 30% cost reduction (£m in 2010 market prices, discounted to 2010)

	Basic BCR	Adjusted BCR
	30% cost reduction	30% cost reduction
	WCC	WCC
PVB	29,207m	45,148m
PVC	11,989m	11,989m
NPV	17,218m	33,159m
BCR	2.44	3.77
Value for Money Category	High	High

4.8.3 High Economy Scenario

Tables 22 and 23 below provide a summary of the impact which the high economy scenario has on the potential outcomes. These demonstrate that the high economy scenario does not have a major impact on the basic BCR, as the majority of journey quality and journey time benefits accrue to existing users (whilst accident benefits do not change).

With regards to the adjusted BCR, there is a much larger change in comparison to the core scenario, given the combination of the change in footfall uplift and average visitor spend. The

benefits accrued from job creation through construction investment do not change, as these are based on the scheme costs which are unchanged in this scenario.

Table 22. Sensitivity Test Outcomes - Oxford Street High Economy Scenario
(£m in 2010 market prices, discounted to 2010)

	Basic BCR		Adjusted BCR	
	High Economy Scenario		High Economy Scenario	
	WCC	Total	WCC	Total
PVB	£91.333m		£387.723m	
PVC	30,395m	61,535m	30,395m	61,535m
NPV	£60.938m	£29.798m	£357.329m	£326.189m
BCR	3.0	1.48	12.76	6.30
Value for Money Category	High	Low	Very High	Very High

Table 23. Sensitivity Test Outcomes - Oxford Circus High Growth Scenario
(£m in 2010 market prices, discounted to 2010)

	Basic BCR		Adjusted BCR	
	High Economy Scenario		High Economy Scenario	
	WCC		WCC	
PVB	£30.351m		£46.293m	
PVC	£17.127m		£17.127m	
NPV	£12.405m		£29.166m	
BCR	1.77		2.7	
Value for Money Category	Medium		High	

4.8.4 Low Economy Scenario

As above, Tables 24 and 25 below demonstrate that the low economy scenario does not exhibit a major impact on the basic BCR, whilst having a more significant impact on the adjusted BCR (for the same reasons as given above for the high growth scenario). There only change in the Value for Money Category is with the adjusted BCR accounting for the total costs where the BCR drops to the 'High' category.

Tables 24 and 25 provide a summary of the impact which the low economy scenario has on the potential outcomes.

Table 24. Sensitivity Test Outcomes - Oxford Street Low Economy Scenario
(£m in 2010 market prices, discounted to 2010)

	Basic BCR		Adjusted BCR	
	Low Economy Scenario		Low Economy Scenario	
	WCC	Total	WCC	Total
PVB	£86.093m		£185.374m	
PVC	£30.395m	£61.535m	£30.395m	£61.535m
NPV	£55.699m	£24.559m	£154.980m	£123.840m
BCR	2.83	1.40	6.10	3.01
Value for Money Category	High	Low	Very High	High

Table 25. Sensitivity Test Outcomes - Oxford Circus Low Economy Scenario (£m in 2010 market prices, discounted to 2010)

	Basic BCR	Adjusted BCR
	Low Economy Scenario	Low Economy Scenario
	WCC	WCC
PVB	£28.062m	£44.004m
PVC	£17.127m	£17.127m
NPV	£10.935m	£26.877m
BCR	1.64	2.57
Value for Money Category	Medium	High

4.8.5 Summary of Sensitivity Test Results

Table 26. Summary of Sensitivity Test Results

Scenario	Oxford Street				Oxford Circus	
	Basic BCR		Adjusted BCR		Basic BCR	Adjusted BCR
	WCC	Total	WCC	Total	WCC	WCC
Core	2.92	1.44	8.87	4.38	1.71	2.64
30-year appraisal period	3.61	1.78	10.89	5.38	1.87	2.80
Oxford Circus 30% cost reduction	N/A				2.44	3.77
High economy	3.00	1.48	12.76	6.30	1.77	2.70
Low economy	2.89	1.43	6.96	3.44	1.64	2.57

4.9 Value for Money Summary

At this stage, due to ongoing design, the economic appraisal assessment has used the best available information to date and as such the assessment undertaken is considered proportionate.

As detailed above, the economic appraisal assessment has focused on the benefits derived to pedestrians due to the proposed public realm improvements. This shows that both projects are expected to deliver high or very high value for money, with Oxford Street expected to return a BCR of 4.38 and Oxford Circus a BCR of 2.64.

In addition, due to the non-monetised benefits and the clear strategic rationale for the scheme set out in national, regional and local policy across a number of years, and the fact that the expected outcomes of the scheme are all key objectives, it is considered that the Oxford Street and Oxford Circus project has the potential to achieve a very high value for money category.

5. Financial Case

The Financial Case considers affordability of the programme by analysing costs, funding and current budget with reference to the Oxford Street and Oxford Circus projects. Specifically, the following six items are addressed:

- Current cost estimates
- Spending profile
- Programme funding
- Revenue implications
- Financial risks and dependencies

5.1 Cost Estimate

The project cost consultants have undertaken an outline costing for Oxford Street and Oxford Circus. Cost estimates will continue to be refined as the design phases progress. Table 27 identifies the costs using January 2020 as a baseline.

Table 27. Oxford Street and Oxford Circus Capital Costs (£000s)

Cost Type	Oxford Street	Oxford Circus	Total
Design costs	1,874	1,209	3,083
Construction costs	31,896	8,737	40,633
Contract wide resources	11,655	3,225	14,880
Inflation to January 2023	11,356	3,293	14,649
Inflation 2024 onwards	6,814	1,976	8,789
WCC internal and direct costs	6,360	1,844	8,203
Utilities	6,360	1,844	8,203
Signals and bus shelters	3,455	200	3,465
Risk	5,065	1,492	6,557
Contingency	5,065	1,492	6,557
Total⁸⁰	89,900	25,311	115,212

The total indicative project costs for delivering the Oxford Street and Oxford Circus schemes are £115.212m. Assumptions within these costs include:

- A 2020 base cost with indexation, excluding VAT;
- 15% risk based on design and construction costs;
- 15% contingency based on design and construction costs;
- 25% allowance for inflation to January 2023. This will be confirmed on publication of indices by BCIS; and
- 15% allowance for inflation on MCJV (contractor) costs from 2024 onwards.

⁸⁰ Costs above exclude design costs of £3.112m incurred during the OSD programme that will be utilised as part of the new programme

The construction costs are based on standard MCJV rates and price lists and have been estimated with the assistance of quantity surveyors using project cost summaries built up in accordance with standard specification of highways works. The expectation is that these outline costs will be refined as the design stages develop.

Further detail on construction costs is shown in Table 28 below.

Table 28. Construction Cost Breakdown (£000s)

Construction cost type	Oxford Street £000's	Oxford Circus £000's	Total £000's
Stage 4	35	35	70
Preliminaries	5,310	1,412	6,722
Site clearance	1,264	336	1,600
Drainage	2,102	206	2,308
Earthworks	2,110	389	2,499
Pavements	1,630	389	2,019
Kerbs, footways, and Paved areas	7,352	842	8,194
Traffic signs and Road Markings	660	80	740
HVM	3,630	4,820	8,450
Street furniture	2,349	-	2,349
Landscaping	5,453	227	5,680
Total	31,896	8,737	40,633

5.2 Spend Profile

The majority of the spend on the project would take place between 2023/24 and 2026/27 with the most significant spend expected within the construction phase scheduled between 2024/25 and 2026/27. Table 29 below shows the expenditure profile that is currently assumed, however this will likely change as the programme proceeds through design to construction.

Table 29. Overall Spend Profile (£000s)

	22/23	23/24	24/25	25/26	26/27	Total
Design costs	-	1,448	1,448	187	-	7,337
Construction costs	-	-	8,000	21,747	10,885	40,633
Contract wide resources	1,488	3,348	3,348	3,348	3,348	14,880
Inflation to January 2023	-	-	2,848	7,779	4,021	14,649
Inflation 2024 onwards	-	-	1,709	4,668	2,413	8,789
WCC internal and direct costs	820	1,846	1,846	1,846	1,846	8,203
Utilities	-	50	3,042	3,042	2,070	8,203
Signals and bus shelters	-	100	1,218	1,218	1,118	3,655
Risk	-	-	1,271	3,475	1,812	6,557
Contingency	-	-	1,271	3,475	1,812	6,557
Total	2,308	6,792	26,000	50,785	29,326	115,212

The following assumptions have also been incorporated:

- Construction costs are profiled between 2024/25 and 2026/27 with greatest spend in 2025/26;
- Inflation assumptions have been apportioned as per the construction profile;

- Utilities, signals, and bus shelters costs have been apportioned as per the construction profile;
- Risk and contingency assumptions have been apportioned as per the construction profile but will be drawn down as required;
- Design costs incurred in previous years of £3.112m have been excluded but these designs will contribute to the future programme.

Table 30 below provides the expenditure profile split. Oxford Street construction will be concentrated in 2024/25 and 2025/26 whilst Oxford Circus construction costs will be focused in 2025/26 and 2026/27.

Table 30. Oxford Street and Oxford Circus Spend Profile (£000s)

	22/23	23/24	24/25	25/26	26/27	Total
Oxford Street	1,801	5,047	23,267	45,258	14,527	89,900
Oxford Circus	507	1,745	2,734	5,527	14,799	25,311
Total	2,308	6,792	26,000	50,785	29,326	115,212

5.3 Funding Oxford Street and Oxford Circus

The funding assumptions to meet the Oxford Street costs are presented in Table 31.

Table 31. Funding Breakdown: Oxford Street

Funding Breakdown	£m
Total Costs	90
WCC Capital Programme funding	45
Third Party Funding	45

The current assumptions are as follows:

- The Council will fund 50% of Oxford Street which is currently budgeted at £45m
- External third parties will fund the remaining 50% of Oxford Street

The Council ambition is to deliver the whole programme. The commitment of £45m for Oxford Street is intended to act as an incentive for partners to invest and work in collaboration with the council to make the programme a success. Negotiations with third parties have been positive, with funding earmarked to help drive the delivery of Oxford Street. The aspiration is to maximise external funding up to the value of £25m to also deliver Oxford Circus. This will be achieved through collaboration with external partners.

5.4 Enabling Streets and Complimentary Costs and Funding

In addition to the Oxford Street and Oxford Circus projects, the Council has ambitions to deliver other works in the area (Figure 1), including:

- £16.8m of enabling highways works in surrounding streets which the Council is committed to fund; and
- Complimentary schemes on other side streets which total £16.6m. The entirety of these works will only be undertaken if the Council achieves 50% external funding. The Council will therefore fund up to £8.3m.

These works did not form part of the business case economic analysis as the focus is on Oxford Street and Oxford Circus only.

5.5 Budget Allocations

The expenditure budget approved by Full Council in March 2023 was £124.4m for 22/23 onwards. The total budget allocation is £127.592 taking into consideration costs incurred prior to 22/23 which can be utilised by the new programme. The budget was based on the delivery of the historic district wide programme and there was a recognition that this would need to be revised based on new delivery workstreams and more aspirational funding expectations.

The budget allocation is expected to cover works on Oxford Street and Oxford Circus, as well as enabling streets and complementary schemes (on the condition of 50% funding being received where appropriate).

As referenced in 5.3, the ambition is to maximise the external funding for Oxford Circus. Potential budget saving to the Council depending on whether external contributions are realised for Oxford Circus. The current maximum saving is £65.828m but reduces to £32.217 if complementary schemes are also delivered (Refer to Table 32).

Table 32. Budget Position

Budget Position	£000's
Current Budget	127,592
Oxford Street WCC Costs	44,950
Enabling Side Street WCC Costs	16,814
Maximum Budget Saving	65,828
Oxford Circus WCC costs*	25,311
Reduced Budget Saving #1	40,517
Complimentary Schemes WCC Cost (50%)	8,300
Reduced Budget Saving #2	32,217

**External funding for Oxford Circus is yet to be secured at the time of writing the Full Business Case but the Council's expectation is that a significant level of external funding will be negotiated to support the wider development. External funding is required to ensure the affordability of the Council's wider capital programme.*

The Council is keen to strike a balance between ringfencing funding to the Oxford Street Programme and re-directing budget to other priority areas where external funding is not realistic. Several such schemes have been identified as part of the Fairer Westminster ambition.

5.6 Revenue Implications

The Council currently manage and maintain Oxford Street and Oxford Circus within the existing city-wide Highways and Cleansing contract. It is estimated that the ongoing costs within the contract attributed to Oxford Street and Oxford Circus are approx. £1.6m per annum. In addition, the New West End Company (NWEC) provides an enhanced maintenance programme for Oxford Street which includes periodic deep cleans, graffiti removal, paving stone replacement, plant maintenance and street furniture repairs.

Due to the current maintenance programme provided by WCC and NVEC the expectation is that there will be no requirement for an uplift in maintenance costs, the exception being 50/50 shared costs between WCC and NVEC for the watering of the newly planted trees along Oxford Street.

It is also expected that current maintenance costs will reduce in the short term as the projects will introduce new materials therefore reducing the current repair and maintenance costs.

As part of the Economic Case, maintenance costs have been included at 1% of the total project costs, which is a standard approach. This includes a level of optimum bias and assumes maintenance every 5 years across a 20-year appraisal period. A total of £1.7m for maintenance has been reflected, which is in line with BAU requirements. Commuted sums contributions will also be sought from external partners to contribute to the maintenance of council assets in future years.

The revenue financing costs in relation to the investment consist of MRP and interest costs. MRP is based on a 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 DLUHC 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.

5.7 Financial Risks and Dependencies

The key financial risks are:

- **Limited or restricted funding:** Availability of third-party funding is critical to the delivery of the Oxford Street and Oxford Circus projects. If this funding is unavailable, the Council will continue the maintenance of the highway along Oxford Street as is currently the case. This will require the removal of the temporary footway extensions, planters and seating on Oxford Street West as previously noted.
- **Scheme cost escalation:**
 - Inflation and limited availability of materials could result in scheme cost increases. Although an additional 15% of the costed design and construction costs have been allowed for within both Risk and Contingency, these may not be enough to cover future unexpected costs. To mitigate this the project team and finance team will work alongside the contractor to identify any potential overspends at an early stage and mitigate this appropriately.
 - Additionally, most projects are still at the initial (Stage 1) design stage. Costs may increase once elements have been fully conceived. Again, this is reflected in the high levels of risk, contingency and inflation allowed for in costings.
- **Utility costs:** are also unknown at this stage and further stakeholder engagement and traffic modelling may identify design changes that result in additional costs. This is managed through the design and project finance management process.
- **Resourcing:** Project resourcing is key. A team structure has been developed and core team established. Recruitment will progress once further approval for funding has been received.

- **Delays to delivery:** Delays to delivery could impact on costs. Project programmes are co-developed with the contractor to ensure close monitoring of milestones and support careful coordination of designs and works.

6. Commercial Case

A Cabinet Member Report was approved on 25th October 2018 to commence an exercise via a Competitive Procedure with Negotiation (CPN) to procure a multi-work package, design and build contract for the Oxford Street Programme with an aggregate value of up to £350m, £150m having been ring fenced by the Council in the Capital programme for 2019/20 to 2023/24.

The CPN utilises a 2-stage approach. The first, a Supplier Questionnaire or 'SQ' stage is employed to arrive at a shortlist of applicants which meet minimum regulatory and qualitative thresholds set by the Authority. The shortlisted Applicants are subsequently invited to the second, or tender stage where negotiation takes place on initial tenders, before a final tender is submitted and awarded.

A call for competition was published on 18th December 2018 and resulted in 3 entities seeking to be shortlisted on 25th February 2019. While 3 entities led in the submissions, these were groupings of multi-disciplinary bodies typically led by a works contractor with key design agencies as sub-consultants.

The Invitation to Tender (ITT) was published on 22nd March 2019 and Initial Tenders were received on 03 June 2019, with negotiation sessions held over the period 17th June 2019 to 28th June 2019. During this period each Tenderer attended two negotiation sessions each, with final tenders submitted on 22nd July 2019.

Bidders were assessed to confirm the most economically advantageous tender, across a range of criteria including risk allocation, social value, technical evidence and commercial criteria.

In September 2019 following an OJEU compliant competitive tender, WCC Cabinet approved the appointment of MCJV under a Design and Build Contract for works relating to the Oxford Street place shaping project. MCJV is an unincorporated joint venture between J Murphy and Sons Limited and PJ Carey (Contractors) Limited which have a history of working together on large scale projects. MCJV has engaged Arcadis Consulting (UK) to manage its design and public realm elements (supported by BDP).

The contract is an NEC4 (ECC) contract with Option A pricing. The contract commenced in January 2020 and will conclude on completion of all projects requested by WCC.

Design and construction work packages are priced based on the tendered rates submitted by MCJV, subject to agreed contract variations that arise during the contract duration. The contract has a staged gate approval process for each work package to progress, with controls and approvals required from Design initiation to construction completion.

Projects outside the scope of the Design and Build contract, are to be procured in line with the Council's Procurement Code⁸¹ and the legal requirements of the Public Contract Regulations (PCR, 2015). All projects with a value in excess of £100,000 require the support of the Procurement and Commercial Service who will work with the Programme team to ensure a suitable procurement strategy for the project is agreed and managed, in accordance with the Procurement Code and PCR 2015. Projects with a contract value below £100,000 must be managed to the terms of the Council's guidance, with at least 3 quotes being sought via the Council's preferred e-tendering system.

⁸¹ City of Westminster Procurement Code
<https://committees.westminster.gov.uk/documents/s41501/Procurement%20Code.pdf>

The Oxford Street team are responsible for all aspects of project planning and delivery for the Oxford Street programme and will report through the governance arrangements established for the project as set out in the Management Case.

6.1 Commercial Approach

The Business Case is considered to be commercially viable and the Economic Case has demonstrated that the package benefits outweigh the costs. The Oxford Street project delivers a high value for money assessment based on the quantified benefits and the Oxford Circus project delivers medium value for money. When considered the wider economic impacts the schemes are both likely to deliver a very high value for money or high value for money.

The measures are generally supported by both local authority partners and wider stakeholder groups and a viable delivery approach has been developed for the implementation of the Oxford Street and Oxford Circus projects.

6.2 Procurement Approach

As outlined previously, following the completion of an OJEU compliant competitive tender, WCC Cabinet approved the appointment of MCJV under a Design and Build Contract.

6.3 Output Based Specification

As specified in the Strategic Case, the scheme design is still being progressed and with 50% external funding, will deliver a superior scheme to be considered a high-quality and attractive public realm environment. Where possible, the design and material selection will support the Council's climate resilience ambitions by ensuring the re-designed public realm can effectively manage flood risk ameliorate rising ambient temperatures.

As the schemes design progress the outputs-based specification will be updated accordingly.

6.4 Sourcing Options

As set out in its Climate Emergency Action Plan, the Council recognises that there is a significant amount of embodied carbon associated with construction activities, such as the extraction, transportation, construction and use of materials. Because of this, the Council is committed to quantifying the carbon impacts of its work as much as possible and working with its suppliers to mitigate these impacts. Applying the Council's Carbon Impact Evaluation Tool (CIET), the carbon emissions of the identified projects is estimated at 46,749 of CO₂e. This impact has been calculated based on forecast scheme costs and will require refinement as the design develops and the scope is refined and approved. This will be re-calculated once the design scheme and materials are selected, as these will influence the project's overall carbon footprint significantly.

To mitigate the projects' carbon impacts, the materials will be sourced in line with the Council's Responsible Procurement Policy and existing procurement regulations, which sets objectives for waste reduction, embedding circular economy principles, carbon reduction, and factoring climate resilience into contracts.

At this early stage of the project, the materials and scheme design are not confirmed, but the programme team has already started exploring potential mitigating actions. One possible action is the use of thinner natural stone slabs. Another is ensuring suppliers are engaged with and signed up to the Council's net zero ambitions, and the programme's design and build contractor MCJV has committed to reduce, reuse and recycling materials before disposal and

will confirm how construction tools and vehicles used will minimise noise, dust and carbon impacts. Commitments have been made to divert 98% of waste from landfill and reuse 95% of materials.

The programme team will also review case studies for low-carbon public realm schemes or roadworks to identify best practice and opportunities to incorporate them into the programme. One example is the Council's King Street roadworks, which used recycled materials and electric tools to lower the project's carbon emissions. Moreover, the scheme design itself can be a mitigating action, as it can help manage risks related to flooding or extreme heat through the materials used, their location and landscaping.

The Council has identified several social value outcomes that align with Fairer Westminster priorities to which MCJV has committed to. These include supporting Westminster residents in apprenticeships, jobs and work experience, and providing training to residents. MCJV are also committed to volunteering, investing in greening interventions as well as supporting local VCS organisations.

6.5 Implementation Timescales

The procurement timescales have been completed with the design and build contract commencing. The timescales for the project delivery are outlined in section 7.6 of the Management Case.

6.6 Risk Allocation and Transfer

All projects, by their very nature, are subject to risk and opportunity. The objective of the risk management process is to minimise the impact of risks, whilst allowing maximum advantage to be taken of any opportunities. The earlier that risk management is applied to a project, the more opportunity there is to influence the outcome.

WCC has extensive experience in delivering complex schemes in isolation and in partnership involving varying themes and procurement processes. The process commences with the development of a Project Risk Management Strategy. The Strategy identifies and records risks, identifies potential mitigation to be taken to eliminate or reduce risk and allocates or transfers risk to the relevant parties that are best able to deal with them. The Strategy allows for the ongoing review of risks as they progress through the planning and delivery stage.

The Project Risk Management Strategy and Risk Register is a live document which will be updated through the lifetime of the project. The management of this document is detailed in Section 7.9, with the most up to date version of the risk register in Appendix F.

Consideration has been given regarding how risk will be apportioned. Risk allocation will be shared between the public and private sectors as it will be as set out in the NEC4 contracts.

However, the selection of a well-established form of contract with standard treatment of risk allocation and transfer ensured that the market is comfortable with the proposals.

The general principle is to allocate risks between the parties to mitigate or manage them, including the consequences should a risk event arise. The degree to which risk may be transferred largely depends on the type of risk under consideration.

A summary of the risks which are planned to be contractually transferred, and risks which are likely to remain with the Council are shown in Table 33.

Table 33. Risk Allocation

Risk	Risk Allocation		Comments
	WCC	Contractor	
Design	✓	✓	The Council will hold responsibility for steering a scheme in line with the spending objectives. Contractors will be responsible for providing outputs which are designed to achieve the goal.
Construction and development	✓	✓	The Council will retain risk for delivery of some works elements. The Contractor will be responsible for on-site works.
Transition and implementation	✓	✓	The Council must enable implementation. Contractors must deliver the requirement.
Availability and performance	✓	✓	The Council must deliver the resource to oversee the construction of the scheme. The Contractor must ensure that adequate resources are in place to deliver the scheme to time and budget.
Termination	✓		The Council must hold the risk for contract termination.
Technology and obsolescence	✓	✓	Both the Council and Contractor hold the risk for technology changes.
Control	✓		The Council has ultimate control of the project.
Financing risks	✓		Ongoing management of finance is the responsibility of the Council in order to ensure best value for money is achieved for the Taxpayer.
Legislative risks	✓	✓	The Council and Contractor must follow due process to ensure the scheme is in accordance with legislative procedures.
Cost risk	✓		The Council will need to ensure that costs have been considered adequately, in particular during the current climate where materials can be difficult to obtain.

The key risks to the project are outlined in Table 34.

Table 34. Overview of Key Risks

Risk Category	Risk	Key Mitigation Actions
Procurement	Specialist material availability and lead times	<ul style="list-style-type: none"> Consider material lead times in the design process Lock in material order early in detail design stage
Finance	Availability of third-party funding	<ul style="list-style-type: none"> If funding isn't secured other funding sources will be explored If not secured (either full or partially), a reprioritisation exercise will be undertaken to deliver either a) a partial scheme b) revert to the do-nothing scenario
	The design and build contract provide a contract wide resource allowance which is an additional cost to the programme	<ul style="list-style-type: none"> Project Manager to carefully monitor the resource utilisation, to date and forecast, and substantiation of time spent
	Costs for protection and diversion of existing services	<ul style="list-style-type: none"> Engagement with utilities companies Non-intrusive surveys conducted as part of the programme
	Annual indexation increases	<ul style="list-style-type: none"> Proactive risk allowance incorporated into costs Consider upfront order of materials
	Material cost fluctuations and sourcing issues	<ul style="list-style-type: none"> Proactive risk allowance incorporated into costs Monitor material costs throughout design; may trigger requirement for descopeing, value engineering and/or additional funding being sought
Stakeholders	Understanding engagement level with TfL / GLA	<ul style="list-style-type: none"> Director understanding engagement and responding to ad hoc enquires when required Regular meeting with TfL Seek an SRO within the organisations
	Lack of support for proposed changes due to transport impacts	<ul style="list-style-type: none"> Early engagement Alternative options developed Hard data for transparency in decision making and communication Agree scope and preferred option
	Delays to the programme due to internal approval process	<ul style="list-style-type: none"> Highlight key internal approvals in programme Regular meetings with internal decision makers Ensure political support is in place
Design	Challenge to the success of the project if traffic approach is not well received locally	<ul style="list-style-type: none"> Behaviour change engagement Further traffic restrictions
	Design at risk and pushing forward with the programme at speed without the revised traffic scope and modelling being approved by TfL	<ul style="list-style-type: none"> Careful management of design process and focus of efforts on the areas where there is more certainty. Proceed to Stage 1 on fixed areas only
Construction	Shallow services may impact installation of some features of the scheme; may require redesign or further utility works	<ul style="list-style-type: none"> Coordination of design development with utility companies. Contractor to coordinate for the stages they are commissioned to deliver for each project.

	Works may be impacted by existing construction works (e.g. scaffolding, diversions, suspension, closures, access requirements)	<ul style="list-style-type: none"> • Close engagement with the WCC Network Management team
	Contractor unable to fully resource design, management and construction	<ul style="list-style-type: none"> • Contractor risk • Reasonable programme to be agreed
Post Completion	Lack of clarity on the long-term Operation and Maintenance costs and plan	<ul style="list-style-type: none"> • Define maintenance / management requirement • Liaison with relevant WCC teams • Secure third-party funding
	Lack of funding for the management plan	<ul style="list-style-type: none"> • Define funding stream for revenue • Working group already setup which includes representation from across WCC departments.

See section 5.6 for further information on key financial risks.

6.7 Contract Length

The NEC4 contract commenced in January 2020 and will conclude on completion of all projects instructed by WCC.

6.8 Contract Management Approach

The contract will be managed by WCC who has significant experience of managing high value, complex contracts of this nature and has a strong reputation for delivering high quality schemes on-time and within budget. Key staff have been upskilled in the new NEC 4 form of contract to ensure that they are up to date with the new forms of contract and their obligations under that form of contract. A gate process has been added to the form of contract so that the Council has control of key elements of the programme.

WCC are committed to investing the necessary level of resource to ensure effective contract management.

Management of construction and CDM will be the responsibility of external contractors (identified through early contractor involvement as MCJV). The project management resource will be responsible for tracking programme delivery and ensuring that procured services are delivering on schedule and are coordinated.

During the implementation phase, a Project Manager/Supervisor will be appointed to administer the construction contracts, overseeing all aspects of the programme, construction, risk management and cost control.

The Contractor's Project Manager will be required to attend monthly progress meetings (or more frequently where considered appropriate) with the appropriate local authority representative (e.g. scheme PM) throughout the duration of the contract, commencing with an inception meeting. The outcomes of these meetings will be reported to the Programme Board within the same cycle.

The contract management approach to the project ensures continuous sequential work streams are delivered to provide the greatest efficiency and value for money possible. For a project of this size, scale, complexity and importance this approach is required.

6.9 Payment Mechanisms, Pricing Framework and Charging Mechanisms

Payments will be linked to performance and contractors will be paid after delivery of milestones as set out in the procurement specification. Allocated risks will be tied-in to the payment approach; payments will be withheld if deliverables are not met and contractors will be required to hold appropriate levels of insurance provision in case of risks being realised.

WCC will ensure value for money by requesting a pricing schedule which covers the duration of the Proposed Option. This will ensure that costs are confirmed for the delivery period and will mean that a decision can be made from the offset about value for money.

It is anticipated that contracts will be 'priced' with an activity schedule. The activity schedule will be set out in the procurement documents and will remain in place unless changed in accordance with the contract.

The contractor will be expected to provide regular information which shows how the activity on the activity schedule relates to operation of their programme. Again, this will be finalised as part of the procurement pack of tender documents.

The Payment Approval Plan (PAP) for the contract will consist of:

- Project contact details – for the Project Manager, other key project staff and their contact details;
- Procedures for project management;
- Project timeline - a list of all key project dates (major milestones, breakpoints, interface with key suppliers, material procurement, Quality Assurance audits, document and design reviews, etc.); and
- Project programme - this shall contain a work breakdown structure, project timescales in a diagrammatic form and work package descriptions, including identification of the critical path activities.

Evidence of satisfactory completion of the activity will be required to be given by the contractor in order for payments to be released. This will be linked to various aspects of delivery.

7. Management Case

7.1 Introduction

The purpose of the Management Case is to determine whether the proposal is deliverable within the timescales. It outlines the approach to project planning, governance structures, communications, risk management and how benefits will be realised, evaluated and monitored.

Project management is the control of costs; timescales; quality; scope; benefits; and risk. This is central to the implementation of the Oxford Street and Oxford Circus projects to ensure that planning, delegating, monitoring and controlling of all aspects of the projects are maintained. Project management will ensure a communicative link between the governance and delivery teams to ensure all parties understand and deliver their objectives, performance targets, scope, cost and deliverables.

7.2 Evidence of Similar Projects

WCC are confident in their ability to manage the Oxford Street and Oxford Circus projects and have significant direct experience of managing similar large-scale projects. The Council has successfully procured and managed other major capital works programmes including Hanover Square, Bond Street and the Baker Street Two-Way scheme.

7.3 Governance and Organisational Structure

The Oxford Street and Oxford Circus projects will require input from a range of disciplines including traffic management, public realm, place management, finance and communication and engagement for an overview of key work streams. The authorities are committed to the effective and efficient delivery of this project through a Senior Responsible Officer (SRO), project team, risk management, project monitoring and escalation processes.

The Project Sponsor is ultimately responsible for the delivery of the project including its financial management. A Strategic Finance Lead and a budget manager provide the day-to-day financial management and support for the project. These roles report into the WCC's Finance department and the Project Sponsor. The Director of Oxford Street provides an update to the Project and Programme Boards by way of a monthly financial dashboard which details expenditure and funding against programme. The dashboard also details any slippage or overspend based on the forecasted profile for the project.

Central to the delivery of the Oxford Street Public Realm Improvement scheme is robust programme governance. Figure 13 below presents an overview of the governance structure and that will ensure the programme continues to receive support at a senior level and the momentum required to deliver as planned.

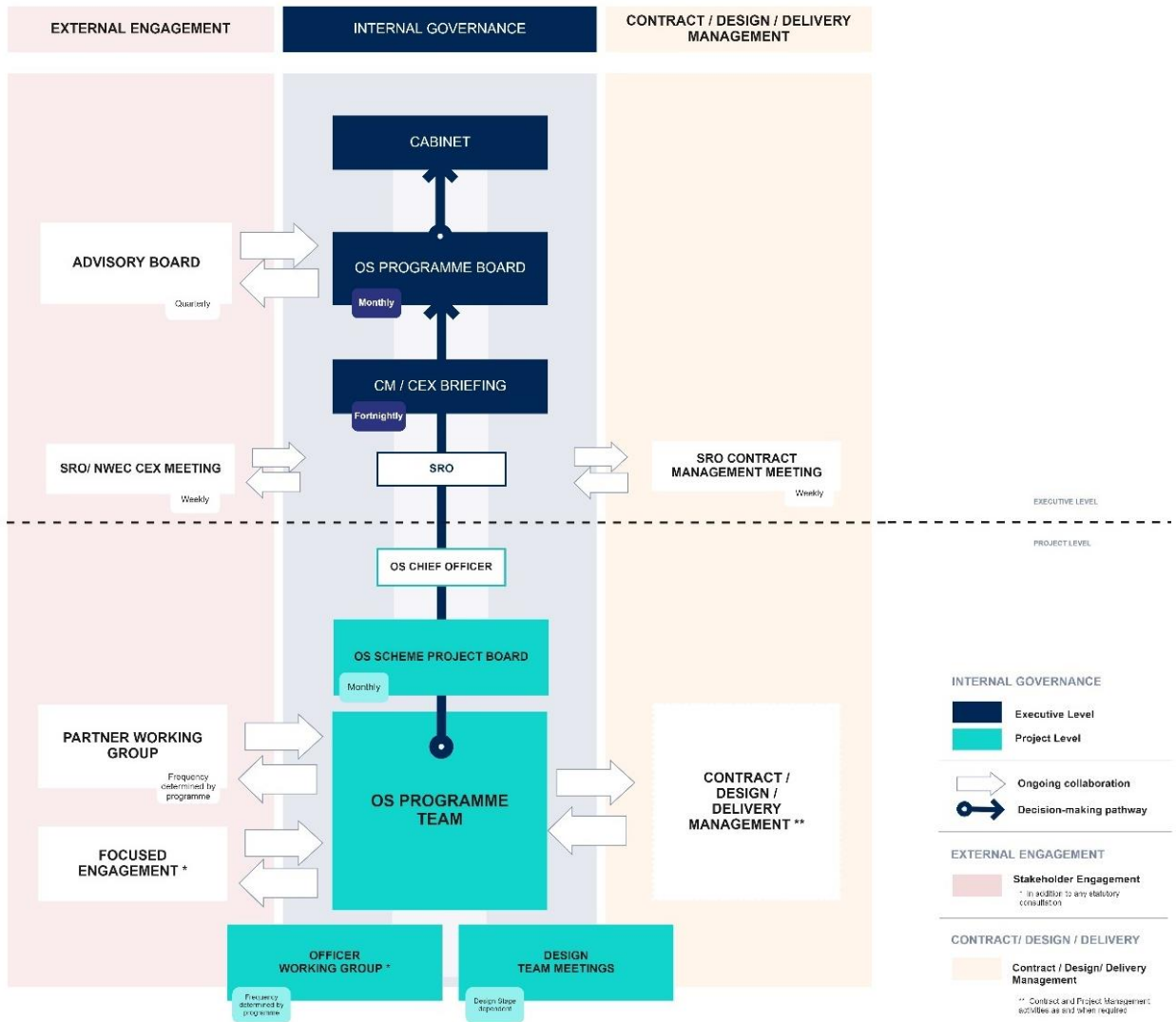


Figure 13. Governance Structure

Table 35 provides additional detail on some of the key groups and boards including the roles and level of engagement planned.

Table 35. Internal Governance Overview

Group / Board	Frequency	Purpose	Role and level of engagement
Oxford Street Scheme Project Board	Monthly (from feasibility design until completion)	To review: <ul style="list-style-type: none"> the delivery progress ensuring that the programme vision is met; ensure associated risks, costs and safety issues are managed effectively. 	Meetings chaired by the Director of Oxford Street and attended by senior Oxford Street programme officers and senior representatives from the New West End Company and Contractor. The Project Board will: <ul style="list-style-type: none"> Provide approval and challenge on issues regarding the design and construction of the scheme Manage risks, finances and deliverability of the project Monitor the achievement of agreed project outcomes and KPIs Ensure timely completion of agreed Project Board actions Resolve any deviations from the agreed scope of work and escalate major deviations to Programme Board Escalate any risks and issues to the Programme Board which cannot to be dealt with at a project level Agree on key programme communications and engagement activities
Oxford Street Programme Officer Working Group	Frequency determined by programme (when relevant feedback or updates required / requested)	To review: <ul style="list-style-type: none"> project objectives and outcomes and consider implication across various Council services; input, review and challenge proposals and identify opportunities for cross-departmental collaboration. 	Meetings which are chaired by the Director of Oxford Street attended by representatives from key teams from across the Council. Meetings will take place at the appropriate stages of the programme as it progresses. The Working Group will: <ul style="list-style-type: none"> Provide feedback and challenge on issues regarding the design and delivery of key projects Provide relevant updates from respective service areas that the OS team should be aware of/ consider Sense-check project objectives and outcomes against the goals and processes of other Council departments Monitor the achievement of agreed project outcomes Highlight opportunities for cross-service collaboration within the scope of a project Work to jointly resolve any identified barriers to the successful delivery of projects Ensure timely completion of agreed actions Decide which issues require escalation to either the OS Programme Board
Oxford Street	Monthly	Responsible for: <ul style="list-style-type: none"> setting the direction of the programme; 	Meetings will be chaired by the Programme’s Senior Responsible Officer and attended by the Cabinet Member responsible for the Oxford Street programme and executive and senior Council officers. The Programme Board will:

Programme Board		<ul style="list-style-type: none"> • reviewing escalated risks and issues; • support the SRO, Chief Officer and Cabinet Member’s decision making 	<ul style="list-style-type: none"> • Manage medium- and long-term strategic risks, finance and deliverability of the programme • Monitor and approve key changes to the programme • Exercise financial authority to support the programme and monitor the programme budget • Act as an escalation point for any risks and issues which cannot to be dealt with at a project level • Review new initiatives and projects that are awaiting progression to detailed design or delivery stages • Maintain an overview of key programme communications and engagement
Oxford Street Programme Advisory Board	Quarterly (commencing December 2022)	To: <ul style="list-style-type: none"> • discuss stakeholder strategic ambition and levels of contribution at the project’s early stages; • provide feedback on project progress; • advise on project delivery and management approaches for later stages. 	Members of the board will include senior representatives from key stakeholders in the area. This includes the WCC Oxford Street Team, NWECC, Landowners, TfL, GLA, Residents’ Groups, Contractors, Ward Councillors, Other Councillors and Senior Officers. The Board will: <ul style="list-style-type: none"> • Provide support in ensuring that the programme is delivering on joint objectives • Provide partner updates relevant to the programme • Acknowledge programme progress and consider key upcoming programme milestones
Oxford Street Programme Partner Working Group	Frequency determined by programme (when relevant feedback or updates required / requested)	To: <ul style="list-style-type: none"> • provide project team with stakeholder feedback • review the findings of any focused engagement; • discuss opportunities to collaborate on areas of shared interest • members of the group will be responsible for communicating project information to the wider community 	Members of the Working Group will include representatives from local stakeholders in the area. This includes the WCC Oxford Street Team, NWECC, Landowners, TfL, GLA, Residents’ Groups, Ward Councillors and Other Councillors (additional stakeholder groups invited when required). The Working Group will: <ul style="list-style-type: none"> • Provide feedback on project progress and review outcomes from any focused engagement activities. • Provide relevant partner updates from stakeholders in the area. • Relay agreed communications to the wider community where appropriate. • Highlight opportunities for partner collaboration within the scope of a project • Work to jointly resolve identified challenges impacting project success within the scope of the forum.

This governance is supplemented and supported by an additional Advisory Board hosted by NVEC on a monthly basis and provides an additional forum for discussion on progress, funding and risk mitigation.

The SRO will lead the interface with the executive team and is required to:

- Report to and receive feedback from the Programme Board;
- Ensure the appropriate resources, project management and technical expertise are in place for the project;
- Make decisions and approve changes within agreed tolerances or seek authorisation if required;
- Monitor and evaluate project progress against milestones and assess outcomes; and
- Provide guidance, support and direction to the Director of Oxford Street and project team.

The Contractor’s Project Manager will be required to attend monthly Oxford Street Project Board meetings (or more frequently where considered appropriate) throughout the duration of the contract, commencing with an inception meeting. The outcomes of these meetings will be reported to the Programme Board within the same cycle.

Table 36. Contractor Delivery Team

Role	Organisation
Project Manager	MCJV (contractor)
Project Controller	
Principal Designer	
Part 1 Claims / Property Valuation	
Environmental Co-ordinator	
Highways Team and Consultations and Community Involvement Lead	
Traffic and Transportation Team Leader	
Planning Team Leader	
Operational Safety Team Leader	
Structures Team Leader	
Geotechnical Geomatics Team Leader	

7.3.1 External Engagement

The positive engagement with key stakeholders is planned to take place throughout the lifecycle of the programme and projects. This is discussed further in Section 7.7.

7.4 Assurance and Approvals

At this stage the known approvals required to permit the delivery of the scheme include:

- **Transport for London (TfL) approval** – TfL will audit the proposed traffic modelling to ensure that the strategic road network they maintain and operate on will not be significantly impacted by the scheme. TfL approval of the modelling is required to permit the scheme to progress.

7.5 Reporting

The Oxford Street and Oxford Circus projects will provide six monthly updates to Members on the progress of the delivery of these projects. Progress updates by group are outlined in Table 37.

Table 37. Progress Updates

	Group / Board	Frequency of reporting	Topics
Internal	Members	Every six months	<ul style="list-style-type: none"> • Progress to date • Updated programme of activity • Key risks
	Cabinet Member Steering Group	Monthly	
	Project Board	Monthly	
	Ward Members	Quarterly	
External Engagement	Advisor Board	Quarterly	
	SRO / NWECC EX	Weekly	
Contract	SRO Contract Management	Weekly	

7.5.1 Programme Resourcing

A programme of this scale and ambition requires a dedicated team of resources across an executive and project level to manage the programme of activity and ensure successful delivery of the programme.

7.6 Programme Plan

A detailed project plan is in development in consultation with the project design and build contractor and will be updated as the scheme progresses. An indicative timetable for the delivery is outlined in Table 38 below. These dates are subject to change and subject to Cabinet approval of this Business Case.

Table 38. High Level Project Milestones

Project Stage	Dates	
	Oxford Street	Oxford Circus
Business case presented to Cabinet	September 2023	
Stage 1 - Feasibility design	Summer 2023	Autumn 2023 to Spring 2024
Traffic modelling	Winter 2023	Spring 2024
Stage 2 – Initial design	Autumn 2023 to Spring 2024	Summer 2024 to Spring 2025
Stage 3 - Detailed design	Spring 2024 to Autumn 2024	Summer 2024 to Winter 2024
Scheme Construction	Autumn 2024 to Spring 2026	Winter 2025 to Winter 2026

7.7 Communication and Stakeholder Management

External engagement has a key role on project governance (refer to Figure 13).

Strong communication and engagement is vital for stakeholder and public acceptance of the Oxford Street and Oxford Circus projects. Historically, consultation with stakeholders has focused on the wider delivery of the Place Strategy however the OSP launch has been accompanied by several engagement activities to promote the revised programme scope and approach. Positive engagement with key stakeholders including residents, landowners, and the business community will continue, and they will be encouraged to contribute to the design process and throughout delivery via focused engagement and the working group that will be set up.

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

- Media coverage in the national, regional, trade and local media;
- Direct posted mail to households in the four wards affected by the proposals: Bryanston and Dorset Square; Hyde Park; Marylebone High Street, and West End;
- 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;
- Information about the projects will be included in Council publications; and
- E-newsletter updates.

As outlined in Table 39, further stakeholder engagement is planned to support the emerging designs and construction. The stakeholders involved in this will include:

- Local residents
- Local businesses
- Transport for London
- Councillors and MPs
- The local Business Improvement District (New West End Company)
- Adjacent local authorities
- Emergency services

Equalities implications will be considered, and each phase of the project will have an Equalities Impact Assessment carried out as part of the design process and an initial Equalities Impact Assessment (EqIA) has been carried out on the Oxford Street project. The preliminary assessment indicates that the proposed scheme does not disproportionately impact on people with a protected characteristic. The EqIA will continue to be enhanced and developed as the project progresses.

Table 39. External Engagement

Group / Board	Frequency	Role and level of engagement
Advisory Board	Quarterly	<p>Meetings chaired by the cabinet member responsible for the Oxford Street programme and attended by representatives from local resident groups, business improvement districts, landowners and ward councillors. The Board will:</p> <ul style="list-style-type: none"> • Provide support in ensuring that the programme is delivering on joint objectives • Provide partner updates relevant to the programme • Acknowledge programme progress and consider key upcoming programme milestones
Partner Working Group	Frequency determined by programme	<p>Meetings chaired by the Director of Oxford Street attended by representatives from the local community. Meetings will take place at the appropriate stages of the programme as it progresses. The Working Group will:</p> <ul style="list-style-type: none"> • Provide feedback on project progress and review outcomes from any focused engagement activities. • Provide relevant partner updates from stakeholders in the area. • Relay agreed communications to the wider community where appropriate. • Highlight opportunities for partner collaboration within the scope of a project • Work to jointly resolve identified challenges impacting project success within the scope of the forum.
Focused Engagement	Frequency determined by programme	<ul style="list-style-type: none"> • Open sessions with different stakeholders, organised around specific themes, geographic areas or target audiences to discuss emerging proposals and gather feedback at various project stages. • Temporary groups will be convened at project early stages to inform the project brief and design.

A dedicated Stakeholder Engagement Manager and Public Liaison Officer will be employed on the OSP to lead on and support engagement with residents, businesses, visitors and other interested parties throughout the period of works.

7.8 Dependencies and Constraints

Sections 3.7 and 3.8 of the Strategic Case present the key constraints and project dependencies.

There has been ongoing feedback from stakeholders regarding the importance of ongoing management on Oxford Street to a desired standard. It is vital that there is world class management to reflect the transformation of the street 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.

7.9 Risk Management Strategy

All projects are subject to risk and opportunity. The allocation of these risks has been examined in Section 6.6. The risk management strategy is discussed below.

Whilst internal exercises have resulted in the identification of risks the expectation is that this list will be added to through ongoing consultation with various stakeholders and responsible parties. Risks have been analysed and graded according to the likelihood of occurrence and the severity of impact if they were to occur. Risks, their scores and mitigation measures will be reviewed and updated regularly in the risk register for both the programme and individual projects. To manage all project risks, the Project Manager, in consultation with contractors (internal and external) and other parties, will regularly review the risk register (Appendix F). Risk registers are live documents and will be continually updated throughout the development of the project(s).

7.10 Lesson Management

As set out within this section of the business case, WCC has experience in managing and delivering transport schemes of this nature across the area. This includes experience in the delivery of schemes akin to the scope of the Oxford Street and Oxford Circus projects. With such experience comes an opportunity to leverage lessons learnt from similar schemes to enhance the delivery of the project, as well as document and provide an evidence base for future schemes.

The project team have sourced lessons learnt from previous projects and programmes, which have been generated from a range of sources including, liaison with project managers, feedback from key stakeholders and workshops undertaken on separate commissions. This includes the independent review into the Oxford Street District programme conducted by Mike Cooke in 2023. In delivering schemes, some valuable lessons have been learned. These include:

- Good programme planning is essential to remain on programme – occasionally, the lead up to special events or busy times of year can cause the scheme to halt and a delay to programme.
- Where designs are not accepted politically and publicly, there is a need to re-engage and consult, resulting in increased cost and timescales for programmes. Publicly/politically sensitive schemes should have contingencies built into programmes and costs to ensure the impact on delivery is kept to a minimum.
- Where there is a significant amount of time between developing initial costs and engaging with suppliers, this can result in significant increases in scheme costs, thus diminishing scheme benefits and deliverability.
- To capture the benefits of the scheme and undertake robust assessment of benefits achieved, a detailed monitoring and evaluation plan needs to be developed, with sufficient time in advance of construction to collect baseline data.

7.11 Benefits Management and Evaluation

Monitoring and evaluation of project success will be assessed against the objectives. The process will:

- Quantify outputs and possibly outcomes;
- Support regular improvements in project delivery;
- Demonstrate value-for-money and support best practice; and
- Establish an evidence base to support future measures.

WCC is committed to the ongoing monitoring of the impacts of schemes that it introduces to ensure that benefits are realised, impacts are identified, and any unforeseen effects are understood. Evaluation is therefore required of programme process, outputs and outcomes. Evidence to support the evaluation should be quantitative where possible.

Indicators are important datasets that enable us to measure progress against the set objectives. Evidence to support the evaluation should be quantitative where possible. The four types of indicators and specific examples of how these might be used are:

- **Input and output indicators:** resource and monetary input (for example, project expenditure and staff time) and actions taken, i.e. what has been delivered? This data will be routinely collected by WCC and implementation partners, as part of programme delivery.
- **Process indicators:** quality and effect. Process data will help measure how well the activities are being implemented and received by the target audiences. Monitoring of process indicators will enable continuous improvement in project delivery processes.
- **Outcome indicators:** what has been achieved (e.g. change in public realm provision) and impact on the overarching policy and programme objectives.

The benefits that this scheme will deliver have been outlined alongside the objectives in the logic map in Figure 11, with the measures of success listed in Table 8. These elements have been combined in Table 40 to demonstrate how success at achieving the three strategic objectives will be measured and monitored. These indicators are provisional and are subject to internal and stakeholder engagement.

Table 40. KPIs and data used in determining scheme benefits

Objectives	Outcomes	Key performance indicators	Data	Timing of data collection	Responsibility
To engage on and design a high-quality public realm scheme that addresses accessibility, safety and sustainability issues such as sustainable transport use, biodiversity, construction impacts, future-proofed street furniture (including lighting) and drainage design	More space for pedestrians	Reduced pedestrian crowding	PCL (pedestrian comfort level scores)	Before scheme; 1 and 5 years after	WCC
	Improved safety	Improved perception of safety	User perception surveys	Before scheme; 1 and 5 years after	WCC
		Reduced number of collisions and casualties	STATS19 collision data	Before scheme; 1 and 5 years after	WCC
	A more accessible public realm	% increased occupation of seats	Seating occupation data: number of users; dwell times	Before scheme; 1 and 5 years after	WCC
		Footfall figures among all users.	Footfall data	Before scheme; 1 and 5 years after	NWEC
		Increased night-time footfall	Footfall data	Before scheme; 1 and 5 years after	WCC / NWEC
	Address sustainability	% increased greening	Number of planter and tree; variety of species	Before scheme; 1 and 5 years after	WCC
To enhance Oxford Street’s brand in away that respects its public realm’s historic character and enables diverse experiences for its residents, workers, and visitors	A more spacious public realm	Increase in the number of events permits granted	Permit application data	Before scheme; 1 and 5 years after	WCC
	Oxford Street’s economic standing is strengthened	Increased spend	Retail revenue data / User perception surveys	Before scheme; 1 and 5 years after	WCC / NWEC
	Improved perception of the vitality of Oxford Street	Improved scores on the perception survey	User perception surveys	Before scheme; 1 and 5 years after	WCC / NWEC
		Increase in businesses acquiring floorspace	Rental data	Before scheme; 1 and 5 years after	WCC / NWEC
		Footfall figures among all users.	Footfall data	Before scheme; 1 and 5 years after	NWEC

Objectives	Outcomes	Key performance indicators	Data	Timing of data collection	Responsibility
To develop management and maintenance approaches that will ensure that the quality of the public realm can be sustained in the long term	A more appealing and sustainable public realm	Improved scores on the perception survey	Perception surveys	Before scheme; 1 and 5 years after	WCC / NWECC
To support the future economic success of Oxford Street	Increased visitor numbers	Footfall figures among all users.	Footfall data	Before scheme; 1 and 5 years after	NWECC
	Oxford Street's economic standing is strengthened	Increased spend	Retail revenue data / User perception surveys	Before scheme; 1 and 5 years after	WCC/ NWECC
	An attractive place for business to establish a presence and invest	Reduced vacancy rates	Commercial data	Before scheme; 1 and 5 years after	WCC / NWECC

Monitoring and evaluation of the scheme is dependent on baseline data collection. These activities are listed alongside other key scheme delivery milestones and are shown below in Table 41 and are to be confirmed through the governance process.

Table 41. Monitoring and Evaluation Timescales

Milestone	Forecast Date	
	Oxford Street	Oxford Circus
Baseline data collection – traffic surveys	September 2022	
Baseline data collection – other	September 2023	
Baseline data reporting	December 2023	
Scheme construction commences	Autumn 2024	Winter 2025
Scheme construction completion	Spring 2026	Winter 2026
Data collection for One Year Post-Opening	Spring 2027	Winter 2027
Publication of One Year Post-Opening Summary	Summer 2027	Spring 2028
Data collection for Five Year Post-Opening Summary	Spring 2031	Winter 2031
Publication of Five-Year Post-Opening Summary	Summer 2031	Spring 2032

To ensure the successful delivery the project, WCC will submit a quarterly monitoring and financial report which captures key information on the project progress and any issues arising, including project spend.

As part of the evaluation process, there are opportunities to examine the results of this scheme alongside others in the area. The programme of monitoring will make use of readily available data where possible.

7.12 Data and Information Security

As part of the scheme, there are two main sources of data/information which are considered sensitive and require protection; these are personal data associated with consultation and engagement that will be undertaken as part of the project, and data which is commercially sensitive for bus operators.

Details regarding the protection of personal and commercially sensitive data will be outlined at later stages of the business case process.

7.13 Project Closure

Due to the early stage of the scheme development and business case process, details regarding the closure of the project have not been outlined.