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City of Westminster

Committee Agenda

Title:	**Cabinet**
Meeting Date:	**Monday 11th September, 2023**
Time:	**6.30 pm**
Venue:	**Rooms 18.06 & 18.07 - 18th Floor, 64 Victoria Street, London, SW1E 6QP**
Members:	**Councillors:** Adam Hug (Chair) Tim Roca Aicha Less Nafsika Butler-Thalassis Geoff Barraclough David Boothroyd Paul Dimoldenberg Liza Begum Matt Noble Cara Sanquest

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Note for Members: Members are reminded that Officer contacts are shown at the end of each report and Members are welcome to raise questions in advance of the meeting. With regard to item 2, guidance on declarations of interests is included in the Code of Governance; if Members and Officers have any particular questions they should contact the Director of Law in advance of the meeting please.

AGENDA

PART 1 (IN PUBLIC)

1. WELCOME

2. DECLARATIONS OF INTEREST

To receive declarations by Members and Officers of the existence and nature of any pecuniary interests or any other significant interest in matters on this agenda.

3. MINUTES OF THE LAST MEETING **(Pages 3 - 6)**

To approve the minutes of the meeting held on 10th July 2023.

4. OXFORD STREET PROGRAMME **(Pages 7 - 206)**

To consider a report on the Oxford Street Programme including the Business Case and proposed draw down of additional funds from the programme budget

5. NEIGHBOURHOOD CIL APPLICATIONS (GREENHOUSE SPORTS CENTRE) **(Pages 207 - 216)**

To consider the NCIL application from Greenhouse Sports Centre

6. CITIZENS CLIMATE ASSEMBLY - RECOMMENDATIONS **(Pages 217 - 230)**

To consider the outcome of, and the next steps from, the Citizen's Climate Assembly

7. ANY OTHER BUSINESS

Stuart Love
Chief Executive
1 September 2023

MINUTES

CITY OF WESTMINSTER

Cabinet

MINUTES OF PROCEEDINGS

Minutes of a meeting of the **Cabinet** held on **Monday 10th July, 2023**, Room 18.01-18.03, 18th Floor, 64 Victoria Street, London, SW1E 6QP.

Members Present: Councillors Adam Hug (Chair), Aicha Less, Tim Roca Nafsika Butler-Thalassis, David Boothroyd, Liza Begum, Geoff Barraclough, Cara Sanquest, Paul Dimoldenberg (virtual) and Matt Noble

Also Present: Stuart Love, Chief Executive, Parveen Akhtar, Director of Law and Governance (Monitoring Officer), Debbie Jackson, Executive Director for Growth, Planning and Housing, Gerald Almeroth, Executive Director for Finance and Resource, Neale Coleman CBE, Chair of The Future of Westminster Commission

ITEM	SUBJECT
1.	**MEMBERSHIP** Councillor Adam Hug, welcomed Councillor Cara Sanquest to her first meeting of Cabinet since taking up the position of Cabinet Member for Resident Participation, Consultation Reform and Leisure in June 2023.
2.	**DECLARATIONS OF INTEREST** There were no declarations of interest received.
3.	**MINUTES** Councillor Adam Hug, with the consent of the Members present, agreed that the minutes of the meeting held on 15th May were a true and correct record of the proceedings.
4.	**COUNCIL RESPONSE TO FUTURE OF WESTMINSTER COMMISSION** Report of the Chief Executive Councillor Adam Hug invited Neale Coleman CBE to speak to the report of the Future of Westminster Commission. Neale thanked officers and all those that participated in the work of the commission and told Cabinet that he hopes that the contribution made by the Commission will support new and important work in the future. Councillor Adam Hug placed on record Cabinet's thanks to Neale and the review Chairs for the enormous amount of work that had been undertaken.

	Councillor Adam Hug invited Cabinet colleagues to comment. Councillor Geoff Barraclough, Cabinet Member for Planning and Economic Development told Cabinet that the Commission had supported the development of the North Paddington Programme and the recently published Plan for a Fairer Economy. Councillor David Boothroyd, Cabinet Member for Finance and Council commented that the commission had undertaken a great deal of work and the recommendations on social value will be considered by the procurement team who are already looking at social value. Councillor Hug concluded by thanking all members of the Commission as well as officers from across the council for their hard work. **RESOLVED:** Cabinet approved the following recommendation set out on page 8 of the Cabinet report pack: 1. Cabinet is asked to note the initial responses to the Commission's recommendations across the three remaining reviews (Appendix A) and to agree that all recommendations brought forward for implementation will be subject to further financial and legal consideration and where necessary, individual Cabinet or Cabinet Member decisions will be undertaken.
5.	**CHURCH STREET REGENERATION – COMPULSORY PURCHASE ORDER RESOLUTION (CPO)** Report of the Executive Director of Growth, Planning and Housing Councillor Matt Noble, Cabinet Member for Climate Action, Regeneration and Renters introduced the report explaining that the overarching objective of the Church Street regeneration scheme is to bring about comprehensive renewal and create additional homes. Cabinet heard that the Regeneration Team has worked hard to engage and consult with the local community to ensure that all key stakeholders are aware of the CPO Scheme as well as the support they will receive throughout the renewal process. CPOs will only be used as a last resort; officers main focus will be to reach agreement with affected residents and help those that wish to stay within the locally community to do so. This is the same as the approach that was taken as part of the Ebury Regeneration which resulted in no CPOs being used. Councillor David Boothroyd commented that if the council is committed to the regeneration of Church Street, then this is something that must done but only as a last resort and through engaging with residents. Councillor Boothroyd also noted the Equality Impact Assessment attached to the report. **RESOLVED:** Cabinet approved the following recommendation set out on page 88/89 of the Cabinet report pack: 1. Agree, subject to the consideration of the matters set out in this report, to the making of a Compulsory Purchase Order pursuant to Section 226(1)(a) of the TCPA and section 13 of the 1976 Act in respect of the Order Land, to facilitate delivery of the CPO Scheme. 2.2

	2. Delegate authority to the Executive Director of Growth, Planning and Housing (subject to any expenditure to be incurred to be within the budget approved for the promotion of the CPO and the acquisition of the property and rights necessary to enable the redevelopment of Site A) to: (a) agree amendments to the Draft Order Plan and finalise the CPO schedule of interests before the making of the Order (if required to give effect to any of the matters delegated pursuant to the recommendation); (b) agree the precise scope of rights to be acquired over properties that surround the Order Land (if required to give effect to any of the matters delegated pursuant to the recommendation); (c) agree amendments and approve the final form of the Statement of Reasons before making the Order; (d) agree amendments and approve the Equalities Impact Assessment before making the Order; (e) to agree the terms of and enter into any documentation required to settle any property rights / matters necessary to progress the regeneration of the Order Land; (f) take all steps to secure the making, confirmation and implementation of the Order including the publication and service of all notices and the promotion of the Council's case at any public inquiry; (g) negotiate, agree terms and enter into agreements with affected parties including agreements for the withdrawal of blight notices and/or the withdrawal of objections to the Order and/or undertakings not to enforce the Order on specified terms, including (but not limited to) where appropriate seeking the exclusion of land from the Order, making provision for the payment of compensation and/or relocation; (h) in the event the Order is confirmed by the Secretary of State or an Inspector in the case of delegation, to advertise and give notice of confirmation and thereafter to take all steps to implement the Order including, as applicable, to execute General Vesting Declarations and/or to serve Notices to Treat and Notices of Entry in respect of interests and rights in the Order Land; and (i) take all steps in relation to any legal proceedings relating to the Order including defending or settling claims referred to the Upper Tribunal and/or applications to the courts and any appeals.
6.	**MEDIUM TERM FINANCIAL PLANNING** **Report of the Executive Director for Finance and Resources** Councillor David Boothroyd introduced this report and explained that since the budget was agreed in March 2023, external factors have become clearer with inflation continuing to become a problem. Cabinet heard that report outlines the Council's updated financial position over the next three years and provides the financial framework for the Council to deliver its key policy objectives as outlined in its Fairer Westminster strategy.

	RESOLVED: Cabinet approved the following recommendation set out on page 254 of the Cabinet report pack: 1. That Cabinet note the revised medium term financial planning forecast to 2026/27 and to agree the budget process approach as set out in the report.
7.	**OUTTURN REPORT** **Report of the Executive Director for Finance and Resources** Gerald Almeroth, Executive Director for Finance and Resources, explained to Cabinet that there was an expectation that the General Fund would be subject to a 3 million overspend but ended the year with a 3 million underspend largely due to increased income through interest rate earnings and an increase in service income. **RESOLVED:** Cabinet approved the following recommendation set out on page 266 of the Cabinet report pack: 1. That Cabinet notes the outturn position for 2022/23. 2. That Cabinet approves the reprofiling from the 2022/23 capital programme into future years as set out in appendix 1 (GF) and appendix 2 (HRA).

City of Westminster

Cabinet Report

Meeting or Decision Maker:	Cabinet
Date:	11 September 2023
Classification:	Part Exempt
Title:	Oxford Street Programme (OSP)
Wards Affected:	West End and Marylebone
Policy Context:	Fairer Economy – A reimagined and revived Oxford Street and West End that delivers a world class offer and experience to residents, businesses and visitors supporting a diverse, resilient, and successful economy that delivers growth in Westminster.
Key Decision:	Yes, significant expenditure
Financial Summary:	The Capital Strategy was approved by Full Council on 8th March 2023 and includes an expenditure budget of £124.4m for the Oxford Street programme from 2022/23 onwards. The capital cost estimate for delivering Oxford Street and Oxford Circus is £115m. This report requests approval of £7.767m for Stage 2 design for Oxford Street and Stage 1 design for Oxford Circus and all associated costs.
Report of:	Bernie Flaherty, Executive Director for Adult Social Care and Health and Deputy Chief Executive, Westminster City Council

1. Executive Summary

1.1 The Cabinet Member Report (CMR) of 1st November 2022 set out a revised scope of works for the Oxford Street Programme (OSP) and gave approval for a revised business case to be developed. This business case outlines the case for change and investment in the Oxford Street and Oxford Circus projects in consideration of the programme vision and objectives. The business case indicates high value for money against both projects.

1.2 The design for Oxford Street has progressed since the previous Cabinet Member Report was approved and the WCC Stage 1 was finalised in June 2023. To deliver the next phase of design a funding drawdown is requested from the previously approved £150 million capital funding budget allocated to the Oxford Street District. These funds will allow the design for Oxford Street to progress to Stage 2 and will cover other identified programme overheads.

1.3 To support the realisation of desired outcomes on Oxford Street and improve traffic movement in the area, a simplification of junction operation is required at Oxford Circus. The scope of these changes will be investigated through the design process and a draw-down of funds is requested to initiate the Stage 1 design for Oxford Circus.

1.4 This purpose of this report is to:

a) Set out the status of the OSP;

b) Provide an overview of the full business case for the Oxford Street and Oxford Circus projects;

c) Provide an outline of design milestones and proposed funding required to support these activities

2. Recommendations

That Cabinet agree to recommendations 2.1 and 2.2:

2.1 Approve the full business case for the Oxford Street and Oxford Circus projects;

2.2 Approve the draw-down of £7.767m from the OSP budget for Stage 2 of the Oxford Street project, Stage 1 of the Oxford Circus project and all associated costs for both.

3. Reasons for Decision

3.1 A new full business case has been prepared, which considers the costs and benefits of the Oxford Street and Oxford Circus projects and confirms the case for investment in consideration of the proposed funding strategy.

3.2 Expenditure is required to progress the Oxford Street and Oxford Circus design which forms the basis for engagement with local communities and other stakeholders.

4. Background

4.1 In 2019 the Council developed plans for a district-wide approach for the investment required to address public realm, safety, transport, and economic challenges faced by Oxford Street and the wider area. A Place Strategy and Delivery Plan, and a business case approving £150 million capital funding from the Council, were subsequently approved for the 'Oxford Street District' programme.

4.2 Following the local elections in May 2022 the new administration considered how best to proceed with the Oxford Street District programme. In accordance with the Fairer Westminster manifesto the decision was made to focus council funding on improvements required for Oxford Street itself, along with selected side streets, rather than a whole district approach. The programme was renamed the 'Oxford Street Programme' (OSP).

4.3 After a series of workshops and option appraisals involving officers and Members, a Cabinet Member Report on 1st November 2022 set out the revised scope of the programme and approval was given to progress the Oxford Street scheme design and to develop a new business case to reflect the change of programme scope.

4.4 The vision of the Oxford Street Programme (OSP) is:

"*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*".

4.5 The revised programme scope focuses public realm improvements along the entire length of Oxford Street from Marble Arch to Tottenham Court Road, and short sections at the mouths of selected side roads that adjoin it, delivering an environment aligning with the international status and reputation of the street. The design will include a high quality and consistent palette of materials, increased pedestrian space, and improved lighting, greening, and seating. Appendix A highlights the geographical extent of the revised OSP.

4.6 The identified side road junction spaces are considered a key element of the Oxford Street project and provide respite from the busy nature of the main thoroughfare that could further unlock the potential of Oxford Street and its attractiveness as a destination.

4.7 Stage 1 (feasibility) design was commissioned in early January 2023 through the Murphy Carey Joint Venture (MCJV), the design and build contractor procured to support the delivery of the programme. This feasibility stage was completed in June 2023 and has involved engagement with local resident groups and businesses, and users of the street.

4.8 Instead of pedestrianizing two sections of Oxford Street, the new proposals for Oxford Circus allow permitted traffic to move east-west through the Circus and north-south along Regent Street. The less extensive changes now

proposed at Oxford Circus were requested by Transport for London (TfL). The project scope requires further development and has been subject to additional traffic modelling, which has been approved by TfL, and stakeholder engagement.

5. Business Case

5.1 The new administration triggered a review of the previous Oxford Street District scope and focus and confirmed a new approach and refined programme. As a result, a revised business case for investment was deemed necessary. The full business case addresses the Oxford Street and Oxford Circus projects specifically given their scope, impact, and cost and can be found in Appendix C.

5.2 The business case determines the case for change with reference to five cases – strategic, economic, financial, commercial and management. The culmination of which is a thorough understanding of the cost versus the benefits of the Oxford Street and Oxford Circus projects. This assessment has been made in relation to the 'do nothing' scenario which entails retaining the current maintenance approach on the street and at the Circus and the removal of the temporary footway widening, seating, and planting that was introduced during the Covid pandemic.

5.3 The key challenges facing the area include:

a) Climate change and the sustainability and resilience of high streets including Oxford Street;

b) A challenging retail environment with increased competition and cost alongside the impact of Covid on footfall and the ongoing implications of this;

c) Insufficient areas and spaces on Oxford Street for users to move through and socialise within; and

d) Challenging safety conditions for users of Oxford Street.

5.4 These issues result in poor perceptions of the pedestrian environment, which in turn impacts the attractiveness of Oxford Street and Oxford Circus to residents, businesses, and visitors. This contributes to the decline of the retail offer, further compounding the challenges of post-Covid economic recovery.

5.5 The delivery of Oxford Street project is predicated on 50% of funding for design and construction, and a contribution to the ongoing management and maintenance of interventions by a third party. An outline commitment to part fund the scheme has been provided and will be formalised by entry into s278 agreements. The latter agreement is typical of other highways projects where third-party funding is secured.

5.6 The projects are expected to deliver significant benefits in terms of journey quality, collision and pedestrian journey time reduction, and security, along with wider economic benefits. These benefits have been monetised and

compared with the capital cost in order to calculate a 'benefit-to-cost' ratio (BCR) that shows the likely return on investment.

5.7 The capital cost for the Oxford Street project is estimated as £89.9m of which it is expected that WCC will invest 50% as stated above. In consideration of the total cost of this project and wider economic benefits, a BCR of 4.38 is achieved, which indicates a very high value for money. (*BCR 2-4 = high value for money, 4+ = very high value for money according to the Department for Transport's value for money framework*).

5.8 The capital cost for the Oxford Circus project is estimated as £25.3m. For the benefit of the business case, it was assumed that the Council will invest this full amount however it is expected that third party funding will be secured with discussions at a formative stage in advance of a design being progressed. For the total monetised benefits of the Oxford Circus scheme a BCR of 2.64 is achieved which indicates high value for money. Considering additional, non-monetised benefits that will be delivered such as biodiversity and security improvements, the value for money delivered would be even higher for both the Oxford Street and Oxford Circus projects.

5.9 To demonstrate the robustness of the Economic Case, the benefits, costs and value for money have been subjected to different scenarios and assumptions as part of a sensitivity analysis. This includes the application of a 30-year appraisal period vs a 20 year-appraisal period for the core scenario; and the impact in a high economy (optimistic scenario where footfall is higher along with average visitor spend) and in a low economy (a pessimistic scenario characterised by lower footfall uplift and average visitor spend). The outcome is that the projects still demonstrate high value for money.

6. Design Scope and Progress – Oxford Street

6.1 The Council has a three-stage process for the design of highway and public space projects before moving into construction. The Oxford Street scheme is being progressed by the OSP design and build contractor and the Stage 1 (feasibility) design, was completed in June 2023. The feasibility design includes options for surfacing materials, lighting, and planting and forms the basis for the further development of the design and engagement with the public.

6.2 The key design proposals include:

a) Footway widening while still permitting two-way vehicle traffic along Oxford Street thereby creating additional and more accessible space for pedestrians, greening, seating, and security measures;

b) Creation and enhancement of existing public spaces immediately off Oxford Street to provide seating, greening and other related uses;

c) New pedestrian crossings to be provided and all existing pedestrian crossings improved/widened;

d) A review of traffic restrictions that prioritise buses, cyclists and taxis and providing necessary access for deliveries and other uses whilst addressing congestion;

e) Bus stand and operational arrangements revised to reduce the length and impact of turnaround routes, improving efficiency;

f) Increased taxi rank provision across the area; and

g) Cycle and e-scooter parking provision enhanced on certain side streets to encourage active travel.

6.3 Side-road junction areas are considered a key element of the Oxford Street scheme as they seek to provide respite from the busy nature of the main thoroughfare and will display different functions depending on their location. Well-designed amenity spaces in these locations can further unlock the potential of Oxford Street as a destination.

6.4 Subject to Cabinet approval, the Stage 2 initial design is expected to commence in Autumn 2023 following extensive public consultation. The feedback received from consultation will be used to inform the design process including the specification of materials and street furniture.

7. Design Commencement – Oxford Circus

7.1 OSP proposals will not pedestrianise any parts of Oxford Circus and will safeguard east-west traffic through Oxford Circus and retain north-south traffic along Regent Street. However, it is proposed that turning will be prohibited to allow for a simplified traffic arrangement, increase in pavement area and enhance security at this heavily congested junction.

7.2 Engagement with local and wider stakeholders is necessary, including TfL, given the significance of this major transport junction. Further traffic modelling has been undertaken to inform the proposed changes in the OSP area including at the Circus, which will inform the design of this project.

8. Financial Implications

Oxford Street and Oxford Circus Costs

8.1 The total costs for Oxford Street and Circus are estimated at £115.212m and summarised in the table below.

Cost Type	Oxford Street £000's	Oxford Circus £000's	Total £000's
Design costs	1,874	1,209	3,083
Construction costs	31,896	8,737	40,633
Inflation	18,170	5,268	23,439
Third party costs*	21,470	5,269	26,739
WCC internal and direct costs	6,360	1,844	8,203

Risk and contingency	10,131	2,984	13,115
Sub-Total	**89,900**	**25,311**	**115,212**

** Third party costs include public consultation, utility surveys, traffic signals, ground investigation surveys and wider programme contract management costs.*

Assumptions within these costs include:

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

8.2 The construction costs are based on standard MCJV rates and price lists and have been estimated with the assistance of external 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.

Oxford Street Funding

8.3 The funding assumptions to meet Oxford Street costs are presented in the table below:

Funding breakdown	£m
Total costs	**90**
WCC Capital Programme funding	45
Third-party funding	45

The current assumptions are as follows:

a) The Council will fund 50% of Oxford Street which is currently budgeted at £45m.

b) External third-party businesses will fund the remaining 50% of Oxford Street.

Oxford Circus Funding

8.4 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 external, third parties have been positive, with funding earmarked to help drive the delivery of the Oxford Street project. 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.

Enabling Streets and Complimentary Scheme Costs and Funding

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

- £16.8m of enabling highways works in surrounding streets which the Council is committed to fund; and
- Complementary 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 do not form part of the business case economic analysis as its focus is on Oxford Street and Oxford Circus only.

Programme Overview – Costs & Funding

The table below shows the total estimated cost of delivering the programme and the current funding allocated.

Oxford Street		
Estimated Cost	**WCC Funding**	**3rd Party Funding**
£90m	£45m (50%)	£45m (50%)

Oxford Circus		
Estimated Cost	**WCC Funding**	**3rd Party Funding**
£25.3m	TBC	Discussions Underway

Enabling Schemes		
Estimated Cost	**WCC Funding**	**3rd Party Funding**
£16.8m	£16.8m (100%)	0

Complimentary Schemes		
Estimated Cost	**WCC Funding**	**3rd Party Funding**
£16.6m	£8.3m (50%)	Schemes will only progress if 50% funding achieved

Programme Total	
Estimated Cost	**WCC Funding**
£148.7m	**£95.4m***

*Assuming 100% Oxford Circus cost

Budget Allocations

8.6 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.

8.7 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).

8.8 As referenced in 8.4, the ambition is to maximise the external funding for Oxford Circus. The potential budget saving to the Council depends 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.

Budget Position	£000's
Current budget	127,592
Oxford Street WCC costs	44,950
Enabling side streets 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 delivery of this project. External funding is required to ensure the affordability of the Council's wider capital programme.*

8.9 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.

Revenue Implications

8.10 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 local Business Improvement District - the New West End Company (NWEC) also currently provide an enhanced maintenance programme for Oxford Street which includes periodic deep cleans, graffiti removal, paving stone replacement, plant maintenance and street furniture repairs.

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

8.12 It also expected that current maintenance costs will reduce in the short term as Oxford Street and Oxford Circus will have new materials therefore reducing the current repair and maintenance costs.

8.13 As part of the Economic Case contained within the Oxford Street and Oxford Circus Full Business Case, maintenance costs have been included at 1% of the total cost, 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.

Existing Approval

8.14 In October 2022, spend approval of £4.6m was granted to progress Stage 1 of the OSP and to cover additional costs.

8.15 At July 2023, £2.3m of spend approval is remaining and will be used to fund the programme until September 2023.

8.16 Following the completion of Stage 2 design for Oxford Street and Stage 1 design for Oxford Circus a future spend request will be brought forward which will be adjusted for any underspend against the October 2022 spend approval.

Expenditure Approval Required

8.17 The programme requires spend approval of £7.767m to progress the Oxford Street and Oxford Circus projects. Projected costs have been provided by MCJV and a summary is provided in the following table:

Cost type	Oxford Street	Oxford Circus	OSP	Total
	£000's	£000's	£000's	£000's
Design costs	1,593	292	-	1,885
Third party costs*	826	85	4,767	5,678
WCC costs	181	23	-	204
Total Cabinet Request	**2,600**	**400**	**4,767**	**7,767**

** Third party costs include public consultation, utility surveys, traffic signals, ground investigation surveys and wider programme contract management costs.*

8.18 This spend will be incurred from September 2023. A forecasting exercise has been completed by Finance and the Oxford Street Programme team and the expectation is that all costs to September 2023 will be covered by the spend approval identified in 8.15 above.

8.19 A more detailed breakdown of the cost is available in Appendix B (restricted).

9. Legal Implications

9.1 The City Council is the highway authority for Oxford Street and the side roads and junctions with it that form part of the revised programme together with Oxford Circus. The Highways Act 1980 provides the Council with the statutory powers to carry out works to improve highways and pedestrian facilities. The Town and Country Planning (General Permitted Development) (England) Order 2015 as amended provides permitted development rights that allow highway authorities to carry out necessary work to maintain or improve roads and pedestrian facilities and undertake necessary or incidental work outside but adjoining road boundaries without the need for planning permission.

9.2 Under Financial Regulations all development and regeneration projects with a value over £10m are required to produce Strategic Outline, Outline Business and Full Business Cases. This report contains the latter. It meets the requirements for stakeholder engagement, strategic aims, and historical context of the project.

9.3 In advance of consideration of this report, the Business Case is required to be approved by the Capital Review Group (CRG). The Group approves the strategic development of the Council's capital programme and capital strategy in accordance with the Council's objectives as set out in Fairer Westminster. This has been completed.

10. Carbon Impact

10.1 Westminster City Council declared a Climate Emergency and has committed to becoming a carbon neutral council by 2030 and a carbon neutral 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.

10.2 A preliminary carbon impact assessment has been undertaken using the WCC Carbon Impact Evaluation Tool on a Cost-Based Calculation based on forecast expenditure. The Greenhouse Gas (GHG) Emissions are estimated to be 46,749 tonnes CO_2e.

10.3 Efforts to reduce the carbon impact of the schemes will be considered throughout design including the lifetime carbon footprint of materials. This will also consider where materials are sourced and their transportation, material specification and recycling or reusing existing materials.

10.4 MCJV is committed to reducing the carbon impact of their construction activity and propose to use electric tools and vehicles during construction where practicable. Commitments have been made to divert 98% of waste from landfill and reuse 95% of materials.

10.5 Greening is proposed as part of the Oxford Street scheme and together with the improvement of the streetscape will not only add to the visual amenity of

the streetscape, but will be designed to provide shade and respite from heat, helping build resilience to rising temperatures.

10.6 Sustainable travel will be supported through a strategy focussed on enhancing cycle parking on streets off Oxford Street. This includes e-scooter and dock less bays that can be used by e-bikes and e-scooters. Additionally, three new, two-way, cycle crossing points are proposed along Oxford Street that will enable future north-south cycle routes.

10.7 It is expected that these interventions will unlock the full potential of Oxford Street and provide the platform upon which the Council's and other local initiatives can be built, such as sustainable economic development, active travel and greener neighbourhoods that encourage residents, businesses and visitors to reduce greenhouse gas emissions.

11. Equalities Implications

11.1 An Equalities Impact Assessment (EqIA) is being carried out for all projects to be delivered through the OSP. An EqIA is a process designed to ensure that a policy, project or scheme does not unlawfully discriminate against any protected characteristic as defined by the Equality Act 2010. The draft, initial assessment indicates the proposed public realm improvements will have an overall positive impact on multiple protected characteristics. The EqIA will continue to be enhanced and developed as the projects progress.

12. Engagement and Consultation

12.1 The OSP seeks to create inclusive opportunities for engagement and consultation with all interested stakeholders and is committed to open and transparent communication. This is at the core of the programme engagement and consultation strategy which outlines the following key principles:

a) Inform – Informing people of what is happening, when and why.

b) Involve – Enabling everyone to have their say and building relationships.

c) Empower – Inspiring people to play an active role in influencing outcomes.

12.2 Internal and external engagement is pivotal to the programme and has involved a number of activities to date:

a) Meetings with Ward Councillors, TfL, resident associations, landowners and the GLA to provide an outline on the status of the programme and look ahead.

b) 'A 'Living Room Session' that took place in December 2022 where Council officers set up a mock-up living room on two locations on Oxford Street and asked almost 200 members of the public what they thought of Oxford Street. The majority of respondents noted that they like shopping, transport and experiences offered on the street; they disliked the overcrowding, difficulty in moving on the Street, and litter; and suggested

improvements included more seating and planting, and the creation of a public realm that is cleaner and easier to move in.

c) Presentation to the Youth Council and feedback sought on the user experience on Oxford Street.

d) In February 2023, differently abled groups were invited to visit Oxford Street and provide their feedback on challenges in accessing the street which is to be evaluated in the design process.

12.3 The OSP consultation strategy provides the framework for the development of an engagement plan for all projects. As part of this, the OSP team delivered a public consultation campaign for six weeks in Summer 2023. engagement activities have been developed for the Programme including a public consultation planned in Summer 2023, for six weeks. This consultation sought views on the following projects:

a) Oxford Street

b) Oxford Circus

c) Marylebone Fitzrovia (including Wigmore and Mortimer Street)

d) Oxford Street West (including Park and Orchard Street)

e) Eastcastle Street junction improvements

All engagement and consultation on the programme and individual projects are reviewed by and supported through the Council's Communications and Communities Teams.

12.4 The public consultation and engagement activities will use various techniques and tools including a dedicated webpage, newsletters, questionnaires, meetings, postcard drops and public consultation sessions. The feedback from consultation and engagement will be used, where applicable, to amend and influence the designs as they proceed from Stage 1 into Stage 2. Full results of the consultation will be compiled, analysed and published in Autumn 2023.

If you have any queries about this Report or wish to inspect any of the Background Papers, please contact:

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APPENDICES

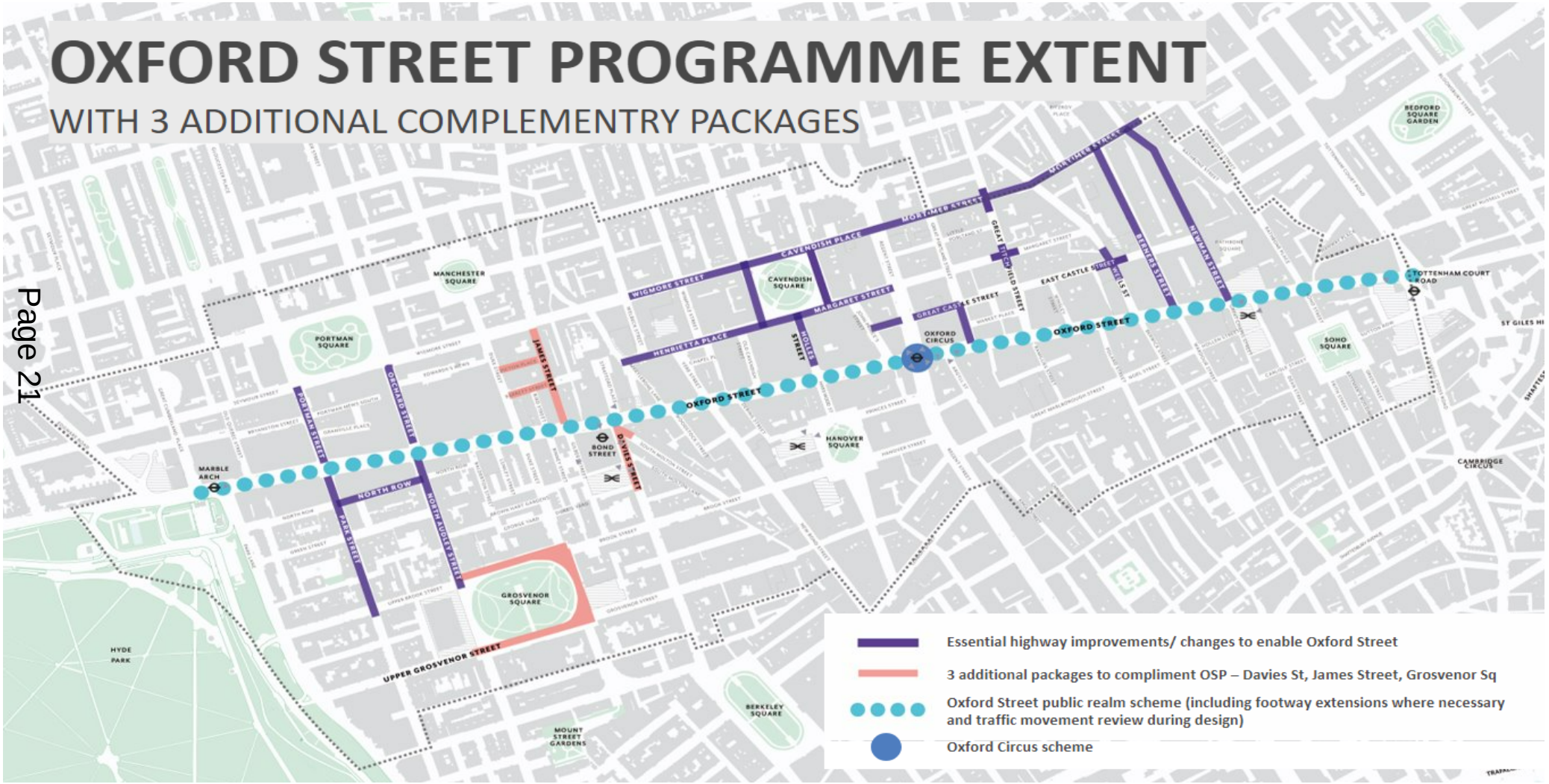
Appendix A: Geographical extent of the revised Oxford Street Programme

Appendix B: Restricted Appendices – Detailed Cost Breakdown

"Not for Publication" on the grounds that it contains exempt information within paragraphs 3 and 5 (information relating to Financial or Business Affairs and Legal Privilege) Schedule 12A of the Local Government Act 1972 (as amended) and the public interest in applying this exemption outweighs the public interest in disclosing the information.

Appendix C: Draft Oxford Street and Circus Full Business Case

APPENDIX A: Geographical Extent of the Oxford Street Programme



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Oxford Street and Oxford Circus Projects

Full Business Case

July 2023

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Table of Contents

Appendices

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 area[1] generated approximately £22.75 billion in Gross Value Added (GVA) annually[2].

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 employment[3];
- it attracts approximately 200 million visitors annually[4];
- it is ranked one of the top shopping destinations in Europe based on recorded footfall[5];

it generated £22.75 billion of Gross Value Added (GVA) in 2019[6].

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 pandemic[7];
- poor-quality public realm and associated negative perceptions of Oxford Street as a place to visit[8]; and
- bottlenecks in the transport network, such as Oxford Circus, which consistently experiences some of the highest demand across the London Underground[9]

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 prices[10])

	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)

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 (CO_2e) 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 CO_2e 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 trends[13] threaten to dull the British economy's crown jewel and national icon. Flagship retail stores have closed recently[14] and visitor footfall remains lower than its pre-Covid pandemic levels[15]. 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 offices[16].

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 thrive[18] 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.

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[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, Debenham 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 (NWEC) 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

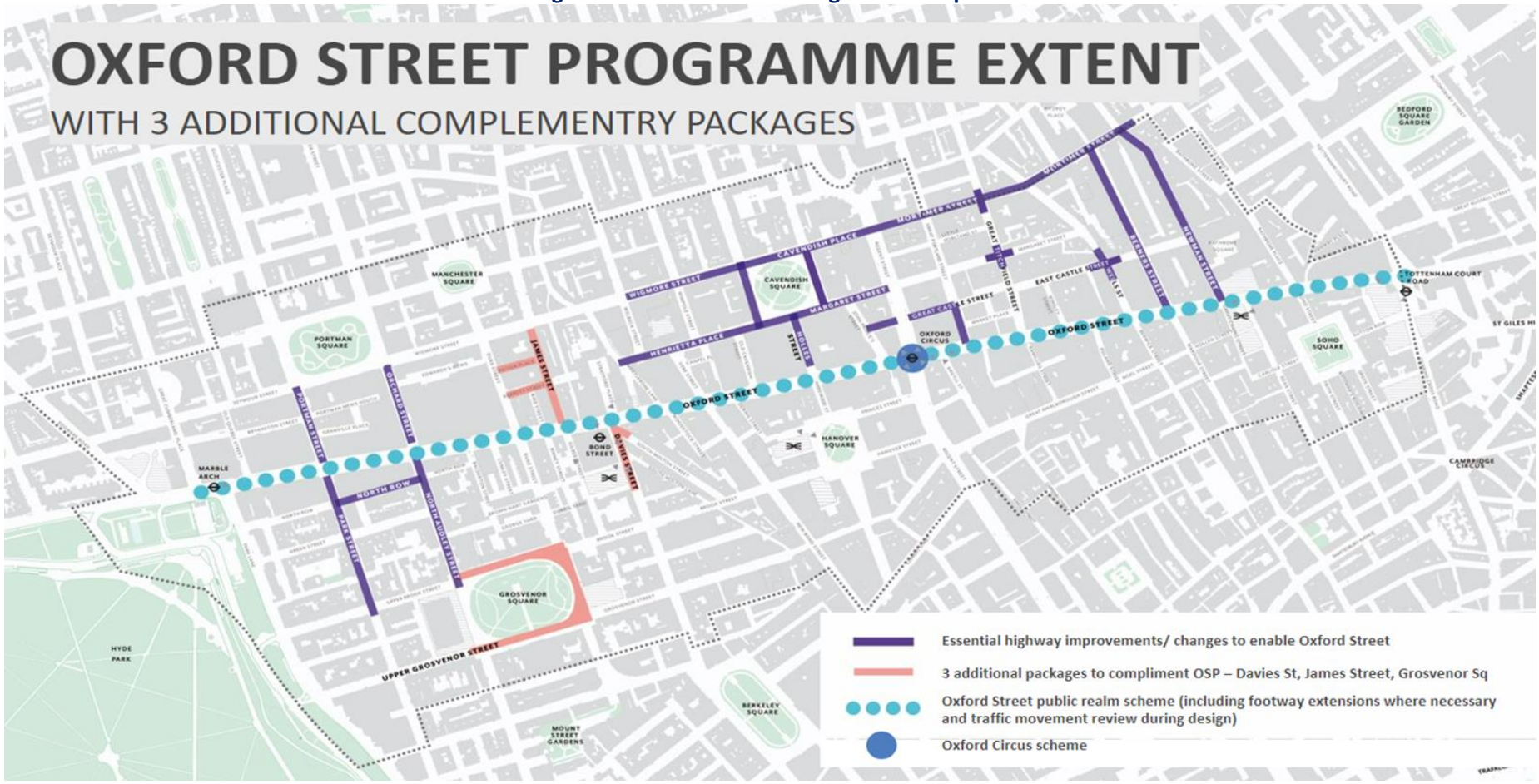


Figure 2. Oxford Street and Oxford Circus Scope Area

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 area[19] generated approximately £22.75 billion in Gross Value Added (GVA) annually[20]. 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 area[21]. 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).

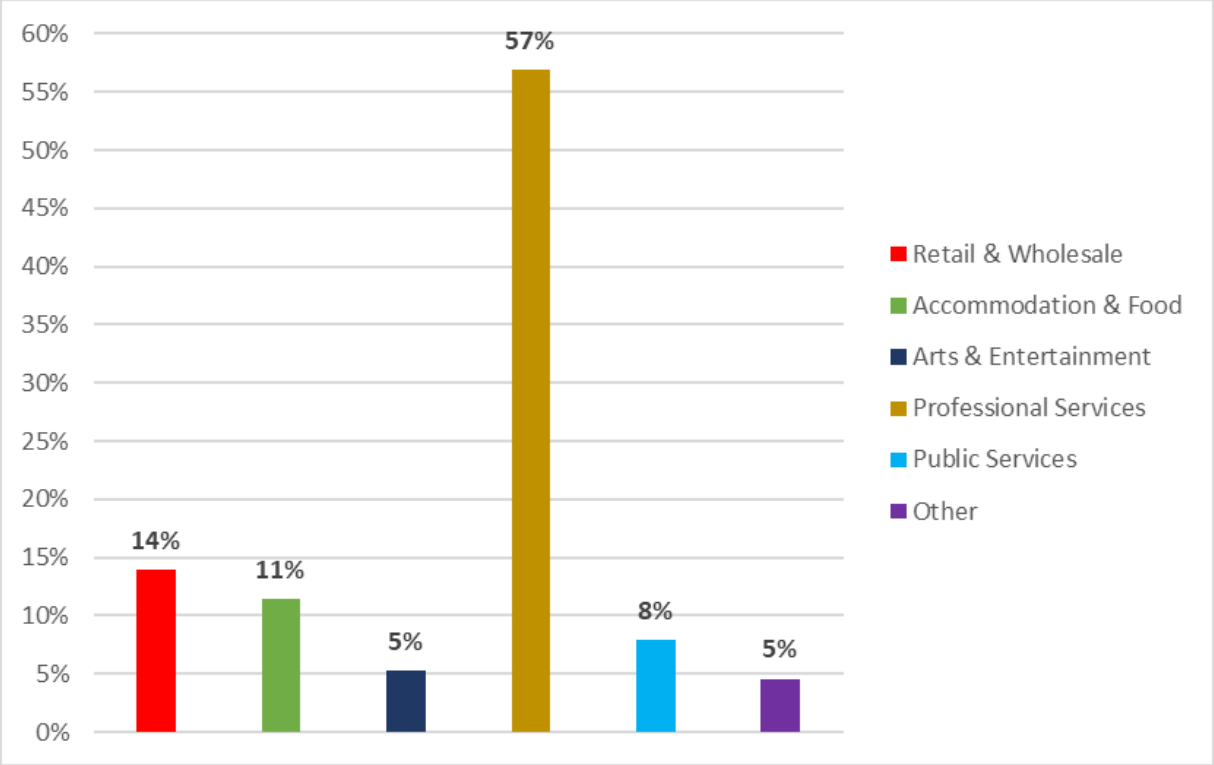


Figure 3. Breakdown of employment by sector in the Oxford Street Area[24]

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 annually[26] 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 day[27].

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 report[28] 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 areas[29]. 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 future[30].

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
Challenging retail environment with increased competition and costs alongside the impact of Covid on footfall and the ongoing implications of this	• 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
Insufficient areas and spaces on Oxford Street and Oxford Circus for visitors to move through and socialise within	• Does not fully conform with Transport for London's streetscape design guidance[31] and scores low on the Healthy Street index[31] • Currently does not align with WCC's Fairer Westminster aspiration to ensure Oxford Street delivers a word 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)
Lack of safe environment for those using sustainable transport modes	• 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 UK[32]) 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 2008[33]). 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 survey[34] 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 online[35]. For London residents, less than 30% of spending was online pre-Covid, but this figure increased to nearly 35% by September 2021[36]. 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)
[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 Cities[37] 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 local[39], fierce price competition from e-commerce, and mounting concerns of the cost of living[40] - 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 years[41]. 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 (NWEC) 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 NWEC Response, New West End Company, 2018

from the West End Good Growth Report[44] 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.

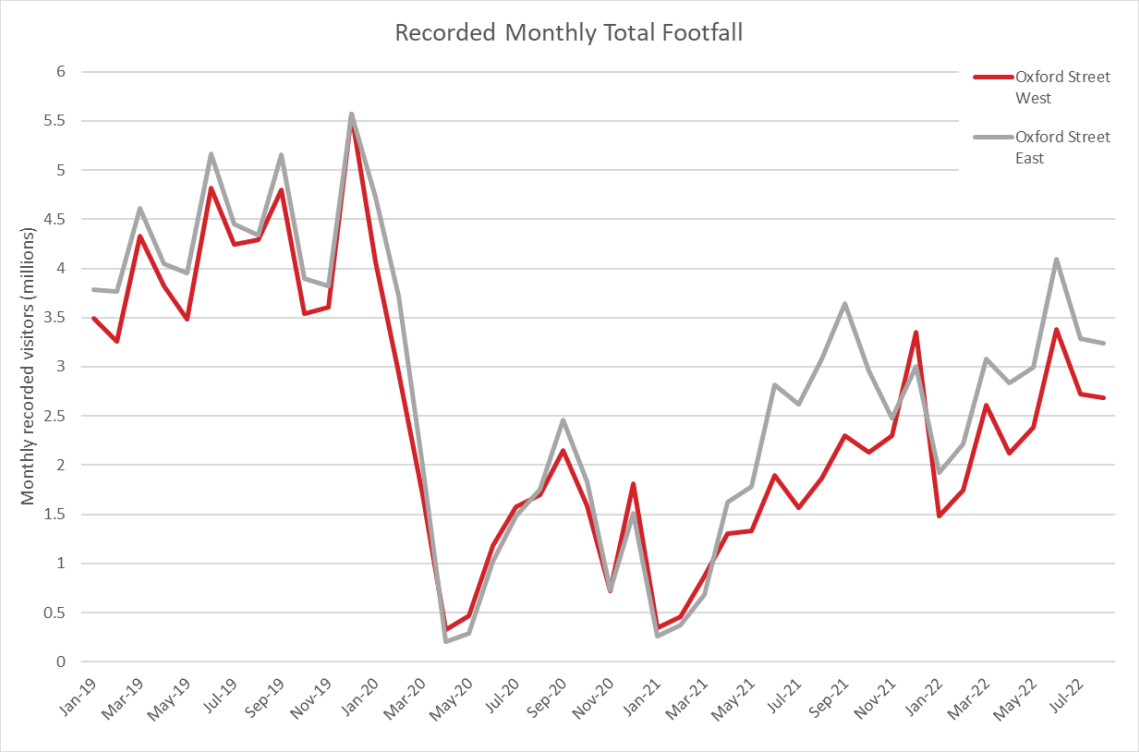


Figure 4. Long term impacts of Covid on Oxford Street footfall[45]

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 (NWEC) 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 prices[48]), 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: • 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).

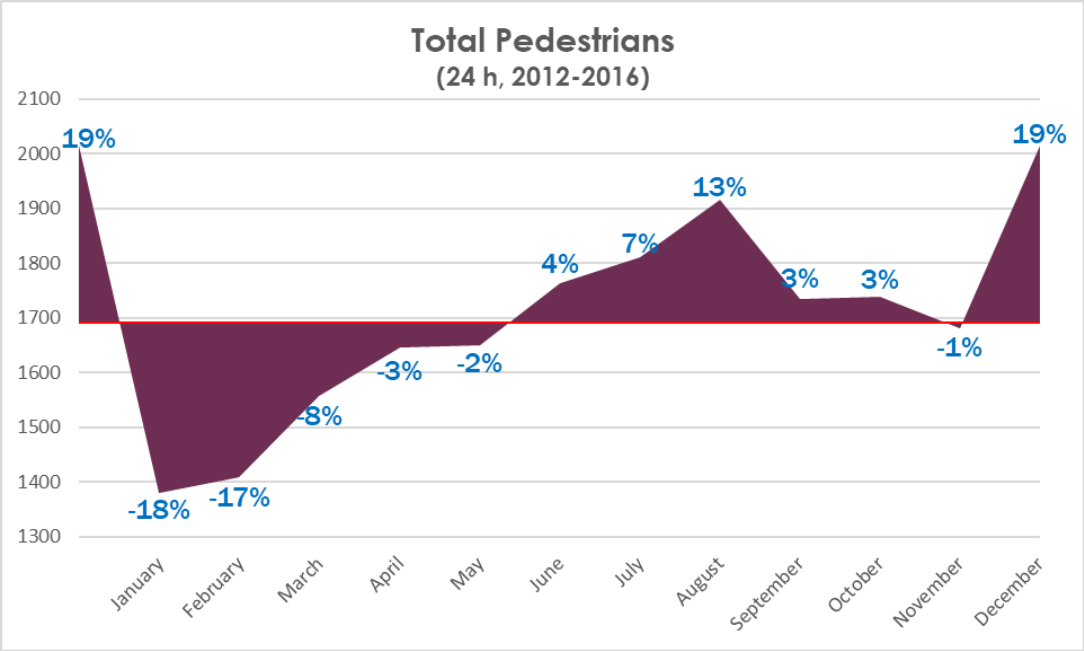


Figure 6. Footfall seasonality trends[49]

While the pavement widths are mostly deemed wide along Oxford Street[50], sections of the footway are too narrow to accommodate the large numbers of visitors to the area. Footways are obstructed by customers queueing 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).

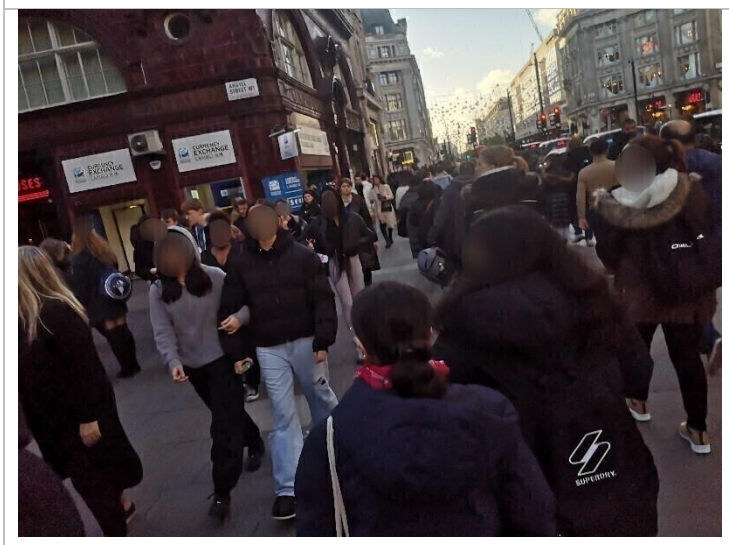
[49] TfL Automatic Pedestrian Counter (site 15: Coordinates: 528405 181085)

[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

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

	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 WSP[52] 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 demand[53].

However, various guidance documents[31] 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.

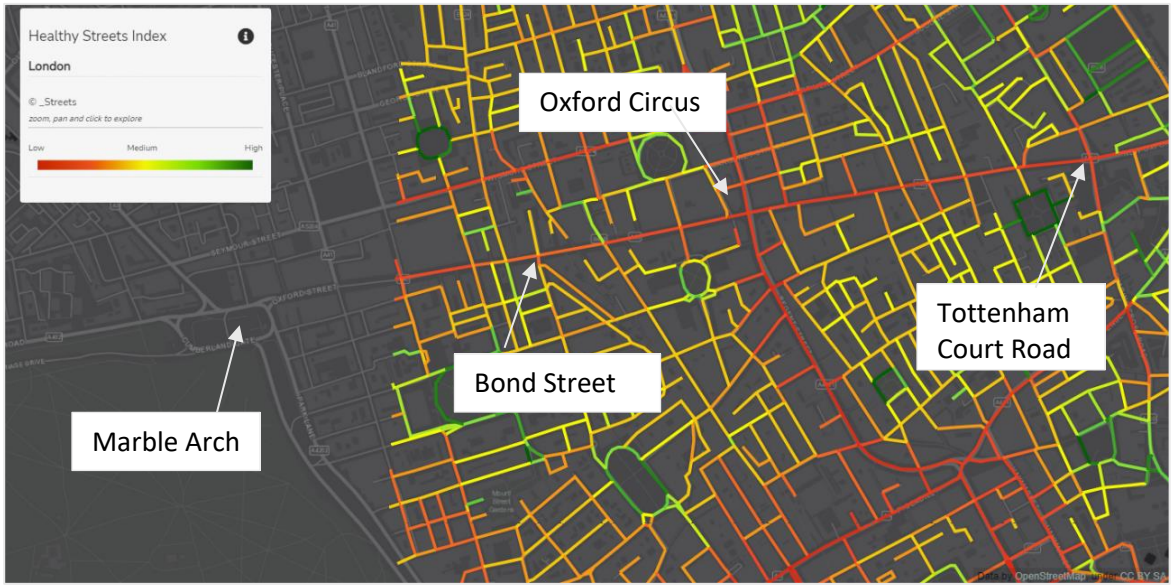


Figure 8. Healthy Streets Index[54]

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 sales[56]. Updated TfL projections indicate that passenger numbers at West End stations will increase by 22.5m by 2026[57]. 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 Street[58] 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] NWEC 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 disability[59]). 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 Improvements to the public realm will…	Monetised value (if Applicable) 2010 prices
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).

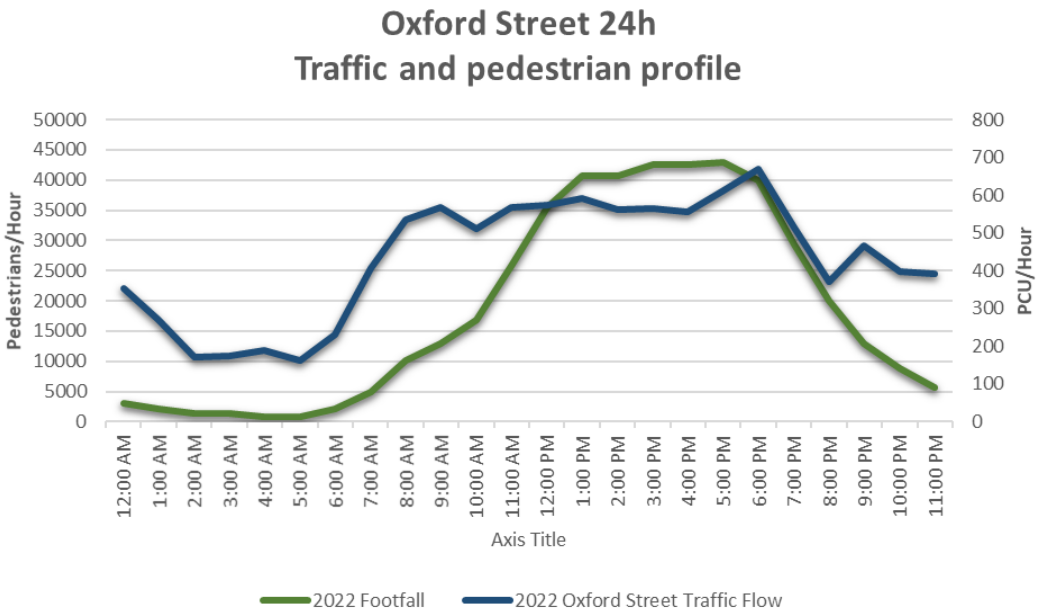


Figure 9. Hourly flows of vehicles and pedestrians on Oxford Street

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 Circus[62], 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.

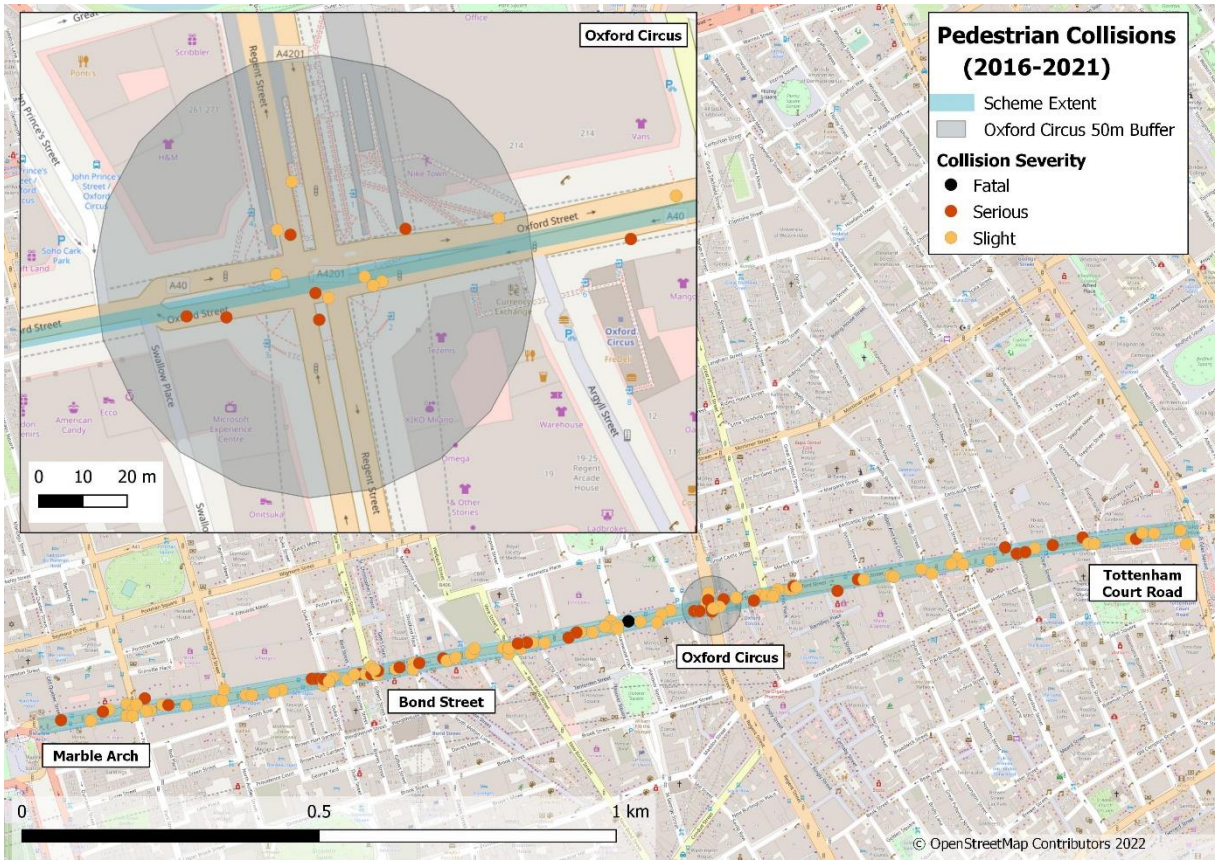


Figure 10. Map of pedestrian collisions recorded along Oxford Street, 2016 to 2021[63]

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 Improvements to the public realm will…	Monetised value (if Applicable) 2010 prices
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 Westminster[64] 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 £1.317m[65]. 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

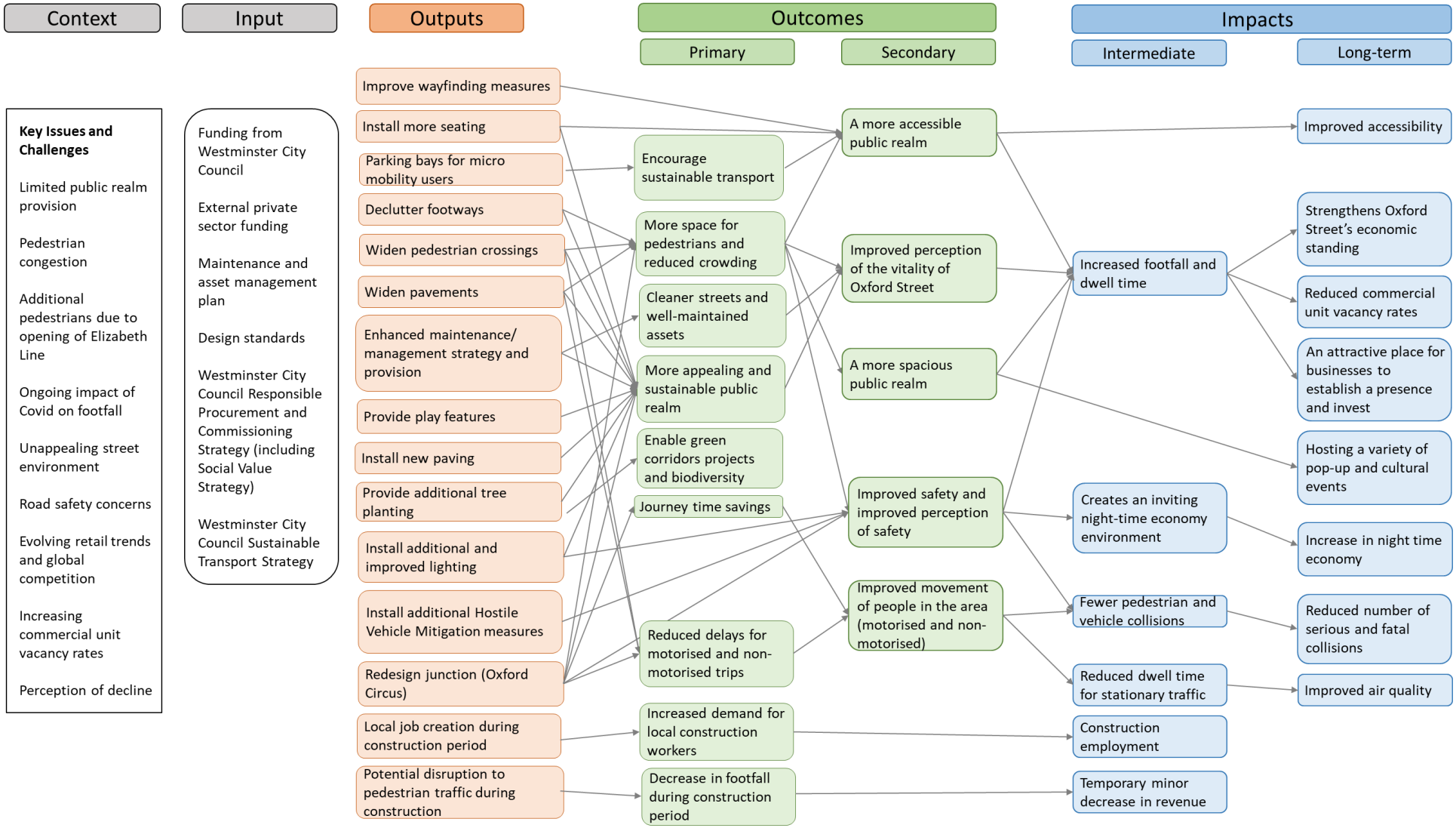
Proposed view indicating wider footways – Duke Street junction

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.	• 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	• 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	• Improved scores on perception survey
4) To support the future economic success of Oxford Street	• 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 online[66]. 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 where 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. *Further details are presented in the Financial Case.*
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. *Further details on the past and future stakeholder engagement are provided in Section 3.6 and the Management Case.*

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 £1.317m[68]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	• 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	• 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	• 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.

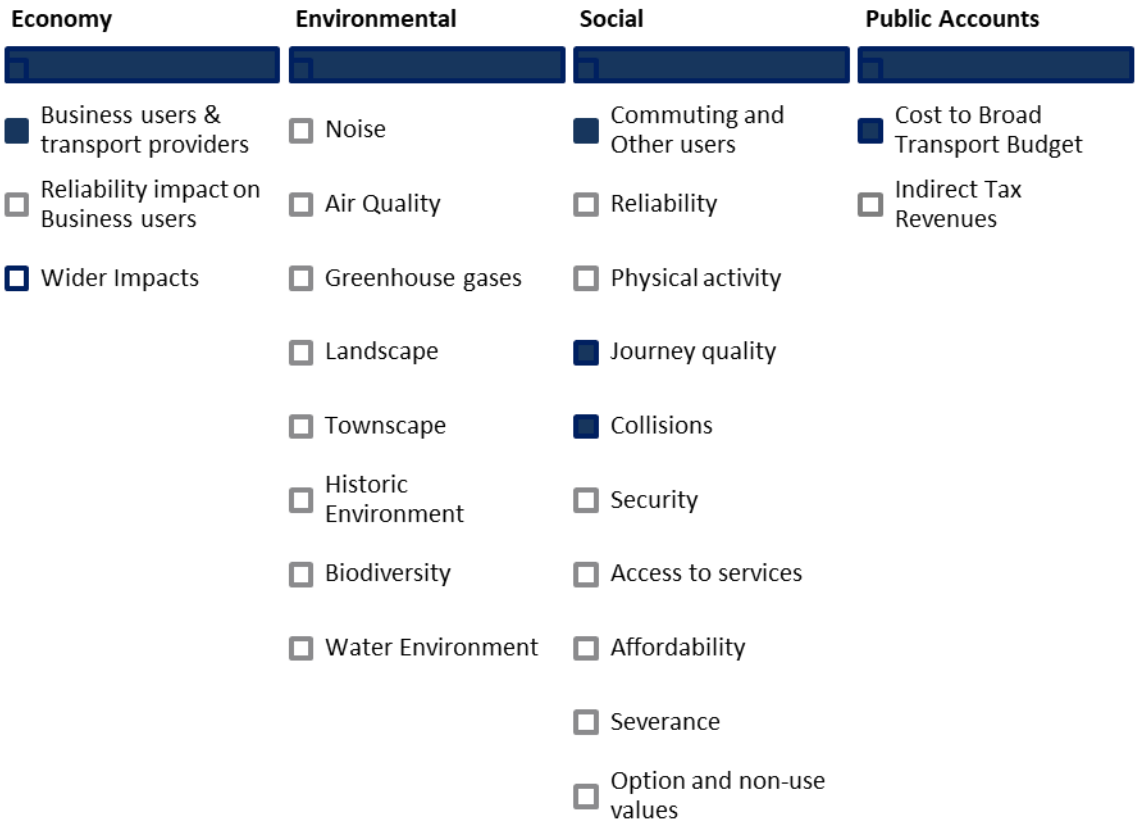


Figure 12. Appraisal Summary Table Impacts

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 Line[69].

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 2027[70] 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 NWEC 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 opening[71]);
- 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 Line[75]**.** 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 2022[72] 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)]

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 Circus[73]. 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 adjustment' 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 money[78].

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 reduction[79] – 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 deliberatively 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
Total[80]	**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 Tablle 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 NWEC 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 NWEC 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 Code[81] 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	• Consider material lead times in the design process • Lock in material order early in detail design stage
Finance	Availability of third-party funding	• 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	• 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	• Engagement with utilities companies • Non-intrusive surveys conducted as part of the programme
	Annual indexation increases	• Proactive risk allowance incorporated into costs • Consider upfront order of materials
	Material cost fluctuations and sourcing issues	• Proactive risk allowance incorporated into costs • Monitor material costs throughout design; may trigger requirement for descoping, value engineering and/or additional funding being sought
Stakeholders	Understanding engagement level with TfL / GLA	• 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	• 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	• 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	• 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	• 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	• 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)	• Close engagement with the WCC Network Management team
	Contractor unable to fully resource design, management and construction	• Contractor risk • Reasonable programme to be agreed
Post Completion	Lack of clarity on the long-term Operation and Maintenance costs and plan	• Define maintenance / management requirement • Liaison with relevant WCC teams • Secure third-party funding
	Lack of funding for the management plan	• 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.

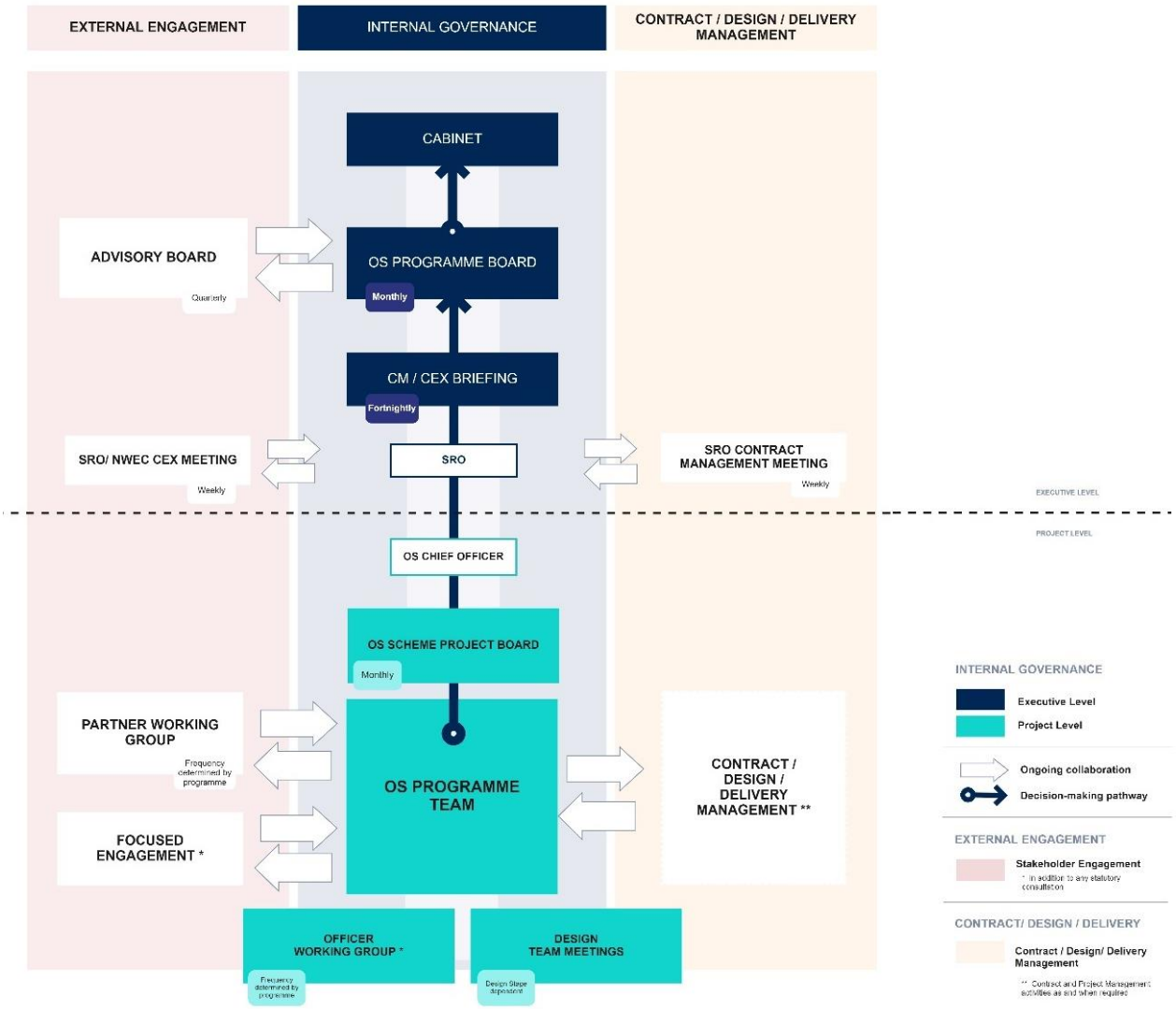


Figure 13. Governance Structure

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: • 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: • 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: • 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: • 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: • 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		• reviewing escalated risks and issues; • support the SRO, Chief Officer and Cabinet Member's decision making	• 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: • 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, NWEC, Landowners, TfL, GLA, Residents' Groups, Contractors, Ward Councillors, Other Councillors and Senior Officers. The Board will: • 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: • 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, NWEC, Landowners, TfL, GLA, Residents' Groups, Ward Councillors and Other Councillors (additional stakeholder groups invited when required). The Working Group will: • 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 NWEC 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	• 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 / NWEC CEX	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 disproportionally 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	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: • 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	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: • 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	• 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**Error! Reference source not found.**. 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 / NWEC
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	NWEC
	Oxford Street's economic standing is strengthened	Increased spend	Retail revenue data / User perception surveys	Before scheme; 1 and 5 years after	WCC/ NWEC
	An attractive place for business to establish a presence and invest	Reduced vacancy rates	Commercial data	Before scheme; 1 and 5 years after	WCC / NWEC

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.

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Oxford Street and Oxford Circus Projects

Full Business Case - Technical Executive Summary

July 2023

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1. Overview

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 address 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 supports the Full Business Case (FBC) for the Oxford Street and Oxford Circus projects. The aim of the investment 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.

1.1 Strategic Case

1.1.1 The Case for Change

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) annually[2].

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 employment[3];
- it attracts approximately 200 million visitors annually[4];
- it is ranked one of the top shopping destinations in Europe based on recorded footfall[5];
- it generated £22.75 billion of Gross Value Added (GVA) in 2019[6].

In recent years Oxford Street has been threatened, initially by increased competition from online retailers and large retail complexes like Westfield shopping centre, and significantly rising business costs, particularly rents and business rates[7]. The Covid pandemic has compounded these issues, significantly impacting visitor numbers, including local workers and retail and leisure trips. International comparisons of footfall recovery across Europe indicated that Oxford Street was ranked as the worst affected during the height of the pandemic with footfall declining by 71% (March 2020-March 2021)[8].

The ongoing success of Oxford Street is linked to maintaining its status and appeal as a flagship destination that attracts millions of visitors every year. The existing condition of Oxford Street doesn't match its international status, with poor public realm affecting the economic recovery and long-term vitality of the area. In a recent survey[9] into visitors' perceptions of Oxford Street, perceived problems cited included "overcrowding" (59%) and "difficulty moving down the street" (31%).

More widely, perceptions of the West End conducted by Lake Market Research also showed a primary barrier of future visits to the West End is the perceived expense (45%) and being too busy/crowded (39%). The survey also reported that 92% of respondents associated the West End as "busy / bustling" either 'very much or to some extent' and 90% associated the West End with being "touristy/a tourist trap". 60% of respondents used the word "overwhelming".

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 pandemic[10];

[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] Can Oxford Street return to its former glory? (drapersonline.com)

[8] https://www.retailtimes.co.uk/oxford-street-most-impacted-by-covid-19-among-major-european-high-streets-mytraffic-shows/

[9] December 2022 Front Room Public Engagement event

[10] 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/)

- poor-quality public realm and associated negative perceptions of Oxford Street as a place to visit[11]; and
- bottlenecks in the transport network, such as Oxford Circus, which consistently experiences some of the highest demand across the London Underground[12].

1.1.2 Impacts of not Changing

Transport connectivity and availability is a key attribute to the economic strength of Oxford Street but sustaining the longevity of the area's status is threatened by the current condition of its public realm. Intervention is required to **ensure that Oxford Street is a great place to for shoppers, tourists, workers and local residents through the creation of a dynamic environment and an enhanced public realm that strengthens the global status of the street.**

Efforts have been made to improve the pedestrian environment and stimulate recovery post-Covid through temporary pavement extensions and additional planting and seating on Oxford Street, to the west of Oxford Circus. These temporary features 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). Without additional funding, these features will be removed which would result in a further degradation of the current pedestrian environment and increase congestion on footways, if there is no further investment. This could also present an increased safety risk with motorised and non-motorised users conflicting in an already congested environment.

Without addressing public realm quality and pedestrian congestion, the perceptions that Oxford Street is "crowded" and "overwhelming" will continue to worsen. Inaction will also exacerbate the congestion impact of additional pedestrians resulting from the recent opening of the Elizabeth Line at Tottenham Court Road and Bond Street and, at the same time, limit opportunities to capitalise on this increased footfall in the area. Future growth of footfall would be restricted as a result and therefore, failure to improve the public realm and pedestrian environment along Oxford Street will inhibit economic recovery, further limiting the attractiveness of the area to visitors and businesses.

Without further investment, there is a risk that Oxford Street will fail to respond to evolving retail trends or recover fully from the impacts of the Covid pandemic. Oxford Street faces greater competition from online retailers and other shopping destinations. To provide the best offering to shoppers, visitors and tourists, Oxford Street must be a place that is easy to access and travel around - a high quality streetscape and urban realm is critical to this and currently not something that is provided.

A more comprehensive and extensive programme of improvements is required if Oxford Street is to maintain its status as a leading retail and leisure destination and ensure the long-term vitality of the local economy.

[11] Various public surveys have highlighted perceptions that Oxford Street is "overcrowded" and "overwhelming"

[12] 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))

1.1.3 Proposed Intervention

The vision for the Oxford Street Programme (OSP) is to:

Ensure that Oxford Street is a great place to for shoppers, tourists, workers and local residents through the creation of a dynamic 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.

With this overall aim in mind, the specific objectives of the Oxford Street and Oxford Circus projects 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.

These scheme objectives are strongly aligned to national, regional and local policy, notably The Mayor's Transport Strategy, Healthy Streets for London, Fairer Westminster and the Westminster Way Supplementary Planning Document.

To respond to this, building on a review of the 2019 Place Strategy and Delivery Plan for the Oxford Street District, the new Westminster leadership has sought to focus on the regeneration of Oxford Street itself, with delivery of complementary schemes to facilitate this (see Figure ii – Oxford Street Programme Extent).

The OSP consists of a number of projects including Oxford Street and Oxford Circus, and other schemes to be delivered in the wider area that enhance pedestrian access and circulation, and overall traffic movement (illustrated in Figure ii). 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 to be delivered through the programme, they will be subject to governance and approval process typical of other highways/public realm schemes.

The Oxford Street and Oxford Circus components are the subject of this business case and are referred to as 'Oxford Street and Oxford Circus projects'. The project scope is presented visually in Figure i and outlined in Table i below.

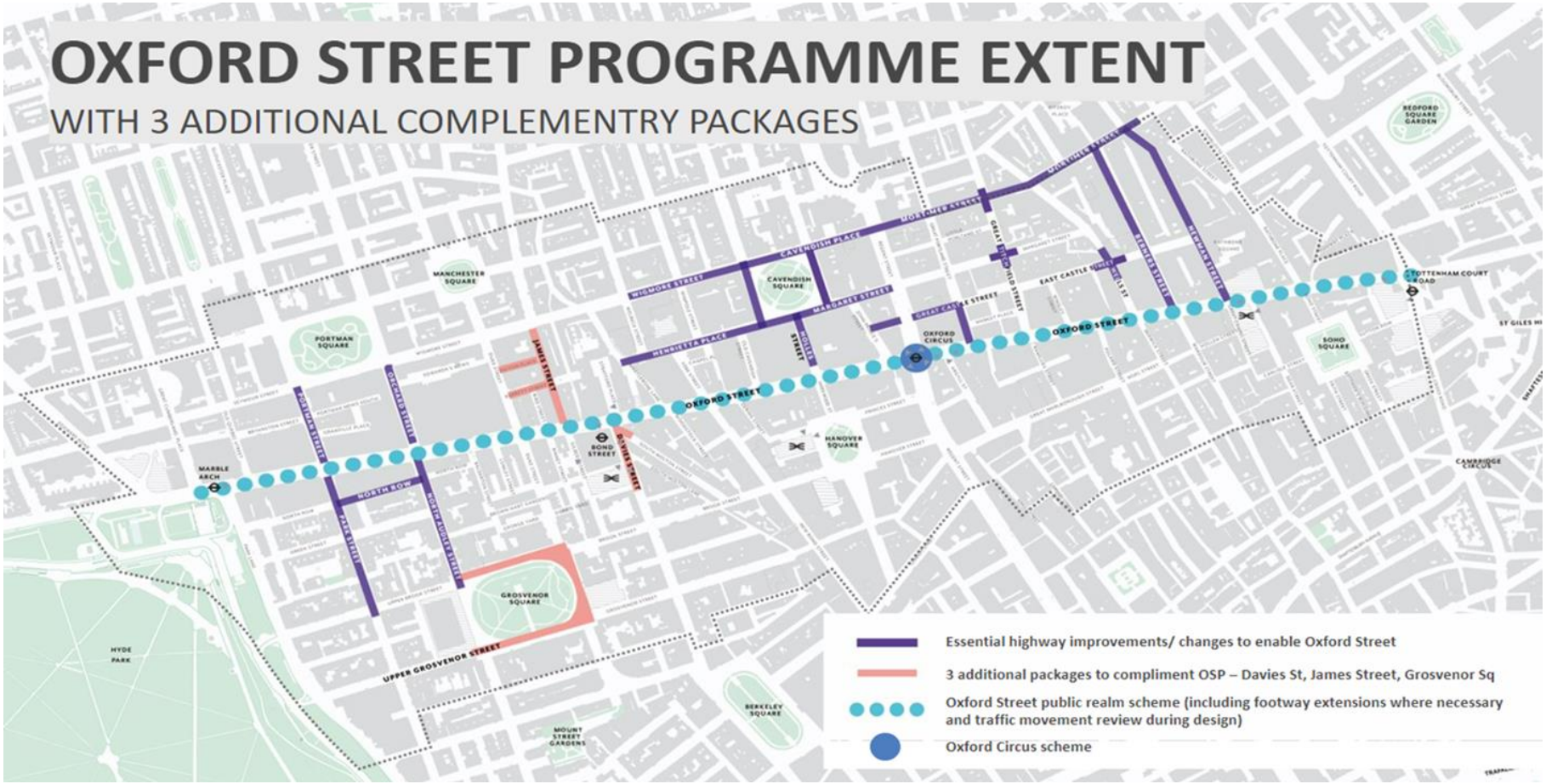

Figure i – Oxford Street Programme Extent

Figure ii – Oxford Street and Oxford Circus Scope Area

Table i: Oxford Street Project Options Overview

	Overview	Cost and Funding
Oxford Street and Oxford Circus Project	Deliver a high-quality public realm scheme along Oxford Street (from Marble Arch to Tottenham Court Road) aligning with the international status and reputation of this street. Create a high-quality public realm along **Oxford Street** 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 amenity spaces will be introduced to provide places for gathering and resting. A redesigned **Oxford Circus** will streamline vehicle and pedestrian movements, reducing waiting times and delays for both and provide more pedestrian space to better accommodate the high levels of footfall. Furthermore, Hostile Vehicle Mitigation (HVM) measures will be installed at both locations to address the high terrorist threat.	Requires 50% third party funding for design and construction, and ongoing management and maintenance (including waste, cleansing and landscape maintenance).
Ongoing Highways Maintenance ('do nothing')	Without the required 50% third party funding the Council will continue the maintenance of the highway along Oxford Street. This will require the removal of the temporary footway extensions, planting and seating on Oxford Street, to the west of Oxford Circus. These measures used materials with a short design life as the expectation was that they would be made permanent through the Oxford Street and Oxford Circus projects. If external funding is not secured these measures will not be retained due to the cost of the necessary works to make them permanent including drainage connections.	Temporary interventions removal cost to be agreed with design and build contractor.

As detailed in Table i above, the delivery of the Oxford Street and Oxford Circus projects is predicated on external funding for design and construction, and a contribution to the ongoing management and maintenance of interventions by third parties. The Council is committed to funding 50% of the Oxford Street project and the ambition is to maximise the external funding for Oxford Circus, this is with the intention of striking 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 Fairer Westminster.

The Oxford Street and Oxford Circus projects will be compared to a 'do nothing' option where Council maintenance along Oxford Street will continue and the temporary footway extensions, planting and seating introduced in Oxford Street West during the pandemic will be removed. If no investment is secured there will be 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 which serves as a key transport connection, which is more pressing given the arrival of the Elizabeth Line.

The achievement of the full scope of the Oxford Street and Oxford Circus projects and its outcomes is dependent on changes being implemented at Oxford Circus to simplify junction operation. Whilst North-South and East-West traffic movement through Oxford Circus will be maintained, the junction operation is to be simplified allowing for an increase in footway space and reducing pedestrian waiting and crossing times.

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.

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.

1.2 Economic Case

The designs for the Oxford Street and Oxford Circus projects are still being developed and, therefore, the economic assessment is based on information currently available.

The economic appraisal of the proposed scheme has been based on quantitative and qualitative assessments as per the Department for Transport's Transport Appraisal Guidance (TAG) units A1 and A2 and undertaken in line with Transport for London (TfL) guidance, particularly in relation to valuing specific transport and public realm related benefits.

1.2.1 Monetised and Non-Monetised Impacts

The key monetised impacts of the Oxford Street and Oxford Circus projects are improved journey quality, a reduction in collisions and wider economic benefits, particularly Gross Value Added (GVA) uplift from construction and improved economic activity and jobs uplift delivered by high quality public realm.

The projects are expected to deliver benefits in the following areas:

- **Journey quality** – improve the quality of the public realm by making the space more pedestrian friendly through measures such as wider pavements and crossings, additional greening and the provision of amenity spaces at selected side streets to create places for dwelling;
- **Collisions** – 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 proposed to increase by 40% which will help accommodate peak footfall;
- **Pedestrian journey time** – improve the flow of pedestrians along Oxford Street and through Oxford Circus. At Oxford Circus specifically, the junction redesign reduces delays for pedestrians and vehicles, generating journey time benefits for all users;
- **Security** – enhance the pedestrian environment through improved surveillance, Hostile Vehicle Mitigation (HVM) measures, positive landscaping and increased lighting and visibility. Whilst, this benefit has not been monetised it will be significant in reducing the likelihood and severity of any potential terrorist attacks involving vehicles;
- **Wider economic benefits** –
    - GVA through construction employment – both projects will support employment of people through the construction phases of the projects through a) direct construction jobs and b) indirect jobs in the wider supply chain;
    - GVA through additional retail spend – the improvements will help support the pandemic recovery of footfall which will encourage more visitors and consequently more spending in the local economy;
    - GVA through retail employment – indirectly through additional retail spend this will support additional retail jobs being created.

In addition, other slight benefits will arise from:

- **Air quality and greenhouse gases** – reduced delays for motorised vehicles (including private vehicles, taxis and buses) due to the redesign of Oxford Circus which limits stationary traffic and therefore improves localised air quality and fuel consumption;
- **Townscape and the historic environment** – the public realm improvements will enhance the conservation area and reduce the dominance of motorised vehicles in the area;
- **Biodiversity** – the improvements along Oxford Street seek to enhance biodiversity through greening, where possible, with consideration to the species selected;
- **Physical activity** – the improvements along Oxford Street may encourage pedestrian users to walk further distances due to improved comfort and security;

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

1.2.2 Value for Money

Whether a project makes a good investment can be assessed by evaluating:

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

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

Table ii: Overview of costs and benefits (in 2010 prices[13])

	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		-
Total 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**
Adjusted Benefit Cost Ratio (BCR)	**8.87**	**4.38**	**2.64**
Value for Money Category	**Very High**	**Very High**	**High**

Therefore, this can show whether the projects demonstrate "value for money" (i.e. does it make financial sense to invest public funds). 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)

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 allow for direct comparison. Table ii.

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

above shows the costs and the benefits for the Oxford Street and Oxford Circus projects, in addition the BCR for each project and the value for money (i.e. the expected return on money invested) for Westminster City Council (WCC).

As shown above in Table ii, the costs and benefits, BCR and value for money (i.e., the expected return on money invested) demonstrates that the return on the investment for the Oxford Street project 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. For Oxford Circus, the costs have been assumed to be solely covered by WCC. Discussions are underway with third parties with the ambition to maximise third party funding.

The economic appraisal assessment has focused on the monetised benefits derived to pedestrians due to the proposed public realm improvements. However, given the non-monetised benefits and the clear strategic rationale for the schemes set out in national, regional and local policy, the Oxford Street and Oxford Circus projects have the potential to achieve a higher value for money category than the BCR alone indicates.

The Council has calculated that the 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.

1.2.3 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 reduction – due to the physical constraints (see Table 10 in the Strategic Case) 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 deliberatively conservative approach and the lifespan of the infrastructure would likely be extended with the inclusion of ongoing maintenance to prolong the infrastructure 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).

Table iii below provides a summary of the results of the sensitivity test. This demonstrates that under a variety of different scenarios the projects are still projected to deliver no lower than a BCR of 1.43.

Table iii: 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	2.83	1.40	6.10	3.01	1.64	2.57

1.3 Financial Case

1.3.1 Capital Costs

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 iv. presents the costs using a January 2020 baseline with indexation, excluding VAT.

Table iv: 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
Total[14]	**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.

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.

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

1.3.2 Funding Oxford Street and Oxford Circus

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

Table v. 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
- 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.

1.3.3 Spend Profile

The spend profile for the Oxford Street and Oxford Circus projects is presented in Table vi below.

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. The expenditure profile that is currently assumed, is likely to change as the programme proceeds through design to construction.

Table vi. 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**

1.3.4 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 NWEC 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 NWEC for the watering of the newly planted trees

along Oxford Street. Furthermore, it is 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.

1.3.5 Budget Position

The expenditure budget approved by Full Council in March 2023 is £127.592m. The budget was based on the delivery of the historic district wide programme with the recognition that this would need to be revised based on new delivery workstreams and more aspirational funding expectations.

The Council is committed to some other works in the area, including side streets off Oxford Street, amounting to £16.8m. Together with the £45m for Oxford Street this totals £61.8m. These other works do not form part of the formal business case as its focus is on Oxford Street and Oxford Circus only.

As referenced above, 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 is a maximum of £65.828m. This is a saving in borrowing costs of £4.035m per annum compared to the current provision within the Capital strategy. This saving may reduce depending on the outcome of the negotiations on funding with partners. 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.

Table vii. Budget position

Budget Position	£000's
Current budget	127,592
Council commitment	61,764
Maximum budget saving	**65,828**
Oxford Circus costs*	25,311
Reduced budget saving	**40,517**

**External funding for Oxford Circus is yet to be secured at the time of writing this 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.*

1.3.6 Financial Risks and Dependencies

A programme risk register has been produced and will be maintained to be informed by quantified risk assessments that will be developed once projects designs are progressed. 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.

1.4 Commercial Case

The Business Case is considered to be commercially viable, with the Economic Case demonstrating that the package of benefits outweigh the costs of the schemes, particularly when considering the wider economic benefits. The scheme proposals are generally by local authority partners and wider stakeholder groups and a viable delivery approach is in development for the delivery of the Oxford Street and Oxford Circus projects.

1.4.1 Procurement Approach

Following the completion of an OJEU compliant competitive tender, WCC Cabinet approved the appointment of MCJV under a Design and Build Contract. Table viii below summarises the key procurement steps and timescales.

Table viii. Procurement Overview

Stage	Description	Dates
Approval to tender	Cabinet report approved to commence exercise via a Competitive Procedure with Negotiation (CPN) to procure a multi-work package, design and build contract with an aggregate value up to £350m	25th October 2018
Competitive Procedure with Negotiation (CPN)	• Call for competition published • 3 entities sought shortlisting • Invitation to Tender (ITT) published • ITT – initial tenders received • Negotiation sessions held (two per tenderer) • ITT – Final Tenders received	18th December 2018 25th February 2019 22nd March 2019 3rd June 2019 17th-28th June 2019 22nd July 2019
Appointment of contractor	Each bidder was assessed to confirm most economically advantageous tender, across a range of criteria including risk allocation, social value, technical evidence and commercial criteria. Cabinet approval of MCJV	September 2019

WCC have an NEC4 (ECC) Design and Build contract with Option A pricing with MCJV, a joint venture between J Murphy and Sons Limited and PJ Carey (Contractors) Limited, for works related to the Oxford Street Programme. MCJV has engaged Arcadis Consulting (UK) to manage its design and public realm elements, supported by BDP. This NEC4 contract commenced in January 2020 and will conclude on completion of all projects requested by Westminster City Council.

1.4.2 Sourcing Options

The Council recognise there is significant amount of embodied carbon associated with construction activities, such as the extraction, transportation, construction and use of materials. The Council's Carbon Impact Evaluation Tool (CIET), quantifies the carbon emission with forecasts on scheme scopes and will be refined calculated once the design scheme and materials are selected, as these will influence the project's overall carbon footprint significantly. At this early stage of the projects, the materials and scheme designs are not yet confirmed, but the programme team has started exploring potential mitigating actions.

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.

1.4.3 Risk Allocation and Transfer

WCC has extensive experience in delivering complex schemes and has developed a Project Risk Management Strategy and Risk Register to identify and record risks, identify potential mitigation including reducing risks or allocating to the relevant parties that are best able to deal with them. Risk allocation will be shared between the public and private sectors as set out in the NEC4 contracts.

1.4.4 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.

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.

1.4.5 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. Key details will be set out in the Payment Approval Plan for the contract.

1.5 Management Case

1.5.1 Governance

The Council is committed to the effective and efficient delivery of the OSP and projects through a Senior Responsible Officer (SRO), project team, risk management, project monitoring and escalation processes. To support this a new governance approach has been established for the programme to ensure robust decision making and transparency.

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.

1.5.2 Programme Plan

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

Table ix. Indicative Oxford Street Programme

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

1.5.3 Communication and Stakeholder Management

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 launch of the new OSP has been accompanied by several engagement activities to promote the revised programme scope and approach. 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.

Positive and proactive engagement with key stakeholders including residents, landowners, BIDs and the business community will continue, and they will be encouraged to contribute to the design process and throughout delivery via focused engagement.

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

1.5.4 Benefits Realisation

Monitoring and evaluation of the project's success will be measured against project objectives. Key Performance Indicators (KPIs) have been identified to assess project impact including improved pedestrian comfort level and increases in visitor numbers as well as perception surveys to assess views of Oxford Street users on its vitality and environment. Baseline data collection has already begun with traffic surveys undertaken in September 2022. Further data collection will occur in 2023 with year-one post opening data collection scheduled for 2027 and a 5-year post-opening monitoring and evaluation report planned for 2031/32.

Oxford Street and Oxford Circus Projects

Full Business Case - Case for Change

Supporting Evidence Annex

July 2023

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1. Introduction

This note presents the full supporting evidence in setting out the case for change for the Oxford Street and Oxford Circus Projects. It is intended to be read alongside the business case document.

2. Economic Importance of Oxford Street

The economic importance of Oxford Street to the City of Westminster and Greater London region is vast, with the area containing a high concentration of retail, hospitality and professional services premises and jobs, which together attract millions of people to the area. Based on 2021 footfall analysis, Oxford Street and Regent Street were ranked first and third amongst top shopping destinations in the world with recorded footfall of 72,700 and 56,900 respectively[1].

Westminster supported the employment of over 750,000 workers in 2021, and while the Covid-19 pandemic showed a drop in total employment, this has since recovered (Figure 1).

Figure 1. Employment Data for Westminster

Source: ONS Business Register and Employment Survey (2021)

[1] BNP Paribas: Pan European Footfall analysis 2021-2022

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

	Oxford Street Area[2]	Westminster	London	Great Britain
2018	21.18	4.29	1.02	0.86
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

Source: ONS Business Register and Employment Survey (2021), ONS Census 2021

When accounting for job density[3], Oxford Street is estimated to have a significantly higher job density compared to the wider Westminster constituency, London and across Great Britain (Table 1). Oxford Street sits within Westminster has a nationally significant job density and international reputation as leisure and retail destination. However, as shown in Figure 2 below, there is also a high proportionate of employment in other sectors.

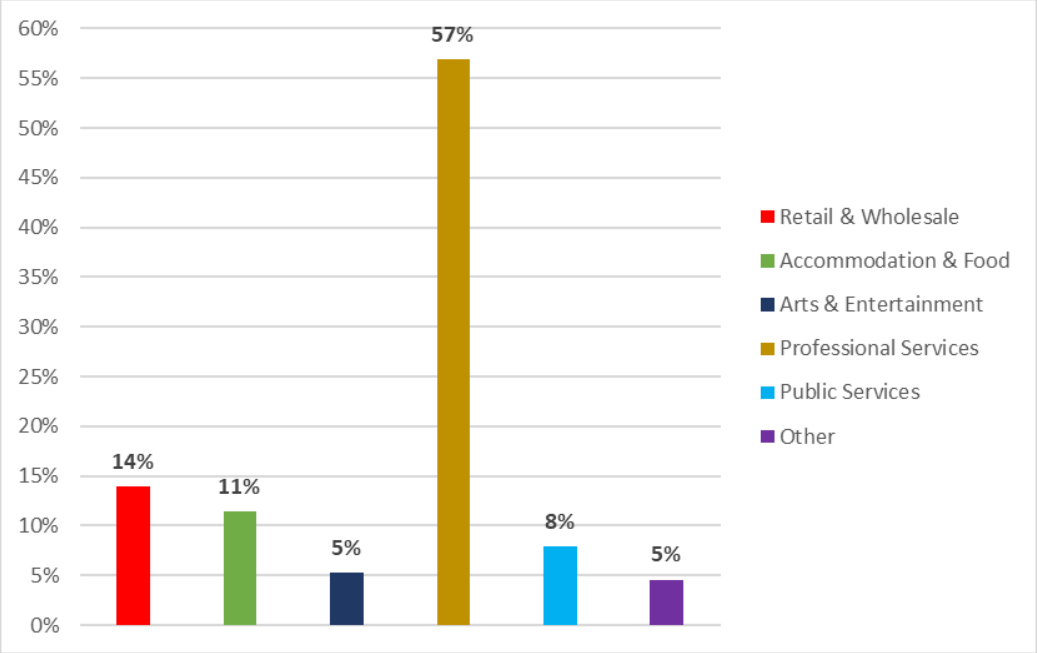

Figure 2. Breakdown of employment by sector in the Oxford Street Wider Area[4]

Source: ONS Business Register and Employment Survey (2021)

As shown in Table 2[5], in 2019 it was reported that the Oxford Street wider area generated approximately £22.75 billion in Gross Value Added (GVA) annually, compared to £72.4 billion for Westminster as a whole. This represents approximately 30% of Westminster's total GVA whilst constituting <10% of the total area. In addition, the contribution represents approximately 5% of the whole of London. This has remained consistent in the long term

[2] Estimated using MSOA Westminster 011 and Westminster 013, assuming 2021 Census working-age population
[3] Job density referring to the number of jobs per a given area
[4] Estimated using MSOA Westminster 011 and Westminster 013

(between 1998 to 2019) indicating the sustained importance of Oxford Street to local and national economy.

Table 2. Estimated GVA (ONS 2019[5])

	GVA 1998	GVA 2019
Oxford Street Area[6]	£8.17bn	£22.75bn
Westminster	£25.94bn	£72.4bn
London	£176.3bn	£468.2bn
England and Wales	£795.7bn	£1,769bn

Source: ONS 2021, UK small area GVA estimates

As outlined above, Westminster is a key location for economic activity across a wealth of sectors. The retail sector across Westminster contributes approximately 9% [7] of the borough's GVA and is a major attracting factor to attract millions of people to the area. More widely, tourism brings an average of 25 million visitors (2017-2019) into Westminster, with an average yearly visitor spend of £1.7bn[8].

Vacancy rates are also a useful indicator of economic activity. The City Plan's Town Centre Health Check report[9] for 2018-19 indicates that in 2017 the vacancy rate on Oxford Street was 12.25%. As of 2022, the vacancy rate has been reported by Westminster City Council as 14.5%[10]; likely reflecting the slight downturn from the Covid-19 pandemic.

A further factor indicating the importance of the economy in Oxford Street and Westminster, is the survival of businesses and their ability to contribute to taxes via business rates.

Oxford Street is one of the most expensive locations for high streets retail rents with rents up to £750 per square foot per year on Oxford Street (Table 4 below). This is over 2.5 times higher than London (City) and even higher than other national cities.

Table 3. High Street Annual Rental Values per square foot (2020-2021)[11]

	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

These high rental rates pose a further significant challenge for retails as it adds additional pressure on the importance of maintaining and increasing visitor footfall to Oxford Street.

[5] ONS 2021, UK small area GVA estimates
[6] Estimated using MSOA Westminster 011 and Westminster 013
[7] Estimated using ONS 2019 Regional gross value added (balanced) by industry: local authorities by NUTS1 region
[8] https://www.westminster.gov.uk/about-council/data/facts-and-figures-about-westminster
[9] City Plan 2019-2040 Town Centre Health Checks Report 2018-2019
[10] WCC Vacancy Units West End, Ground floor land use 2022
[11] Annual rental cost of prime high street retail rents in the United Kingdom (UK), Statista 2022

3. Benefits of Public Realm

3.1 Background

This section aims to outline some of the key evidence for the benefits produced following public realm improvement schemes.

Town and city centres continue to face competition from online and out-of-town retailers. Providing an 'experience' for shoppers can be created by improving the attractiveness of the walking environment.

Evidence suggests that community improvements (e.g. better air quality, access to good schools, better transport connectivity) creates more attractive places to live and consequently inflates house prices. Similarly, the available evidence suggests public realm improvements will also result in higher residential and commercial prices[12].

Wider economic benefits from public realm improvements are typically excluded from monetised benefits, but can include:

- Increased pedestrian movements (footfall)
- Uplifting the sales and rental property market (retail, commercial, residential)

Other benefits of public/urban realm improvements include:

- Increasing inclusion and reducing inequality
- Improved safety
- Encouraging physical activity
- Reducing noise and local air pollution
- Improving local image and perceptions

Market prices can be uplifted as public realm improvements make urban centres more attractive spaces for visitors and subsequently businesses.

The links between public realm and wider benefits have been widely researched and include the following general findings:

- The public have demonstrated a willingness to pay for improved public realm spaces[13];

- Health benefits and user experience (journey quality) can be significant; with some schemes reporting BCR's exceeding 30 in the wider literature[14];

[12] What Works Centre for Local Economic Growth. 2014. Briefing – Public Realm. https://whatworksgrowth.org/public/files/Policy_Reviews/14-11-20-Public-Realm-Briefing.pdf
[13] Buchanan and Gay 2009. Making a case for investment in the public realm. https://www.icevirtuallibrary.com/doi/pdf/10.1680/udap.2009.162.1.29
[14] Living Streets 2011, Making the Case for Investment in the Walking Environment: A review of the evidence https://www.livingstreets.org.uk/media/1394/2011-making-the-case-full-report.pdf

- Return rates on public spending and scheme BCRs can be higher for projects involving walking and cycling compared to other transport schemes[15];

- Street improvements can increase the amount of dwell time (i.e., standing, waiting, and sitting) by 96%[16].

Evidence also extends to an international context although this has been disregarded due to the relevance to the Oxford Street Programme.

Furthermore, while some the of presented evidence is reflective a pre-Covid era, the lessons and evidence are likely still relevant.

3.2 Footfall

Many studies have reviewed the evidence of the impact of an improved pedestrian environment directly on pedestrian footfall. In 2006, Whitehead and colleagues estimated footfall to increase by an average of about a third (32.3%)[17].

While projects do vary, improvements have found between 25-30% increase in pedestrian movement. In Oxford, pedestrianisation was just a part of the scheme as measures focused on reducing car trips to the town centre[18].

Table 4. Example projects demonstrating footfall benefits

Location	Scheme outline	Outcome
Wanstead, London[15]**Error! Bookmark not defined.**	Improvements to the high street including pavement resurfacing, accessible crossings, street lighting, decluttering of street furniture, improvements to street furniture and installation of CCTV.	122% increase (at night) 75% increase (winter after darkness)
Kensington, London[19]	High street redevelopment including road markings, traffic signals, additional pedestrian crossings, pavement widening, additional planting, cycle parking, removal of street clutter.	7% increase
Piccadilly, Stoke-on-Trent[15]	Increase pedestrian friendliness – widening footpaths, improving path surfaces, installation of seating and tress, new businesses opened.	30 % increase
Sheffield[15]	Peace gardens re-construction, reconfiguration outside Town Hall, increasing pedestrian space.	35% increase

[15] Living Streets 2019, The Pedestrian Pound https://www.livingstreets.org.uk/media/3890/pedestrian-pound-2018.pdf
[16] Carmona, M., Gabrieli, T., Hickman, R., Laopoulou T., Livingstone N., (2017) "Street appeal: the value of street improvements" Progress in Planning.
[17] Whitehead, T *et al,* 2006. The Effect of Urban Quality Improvements on Economic Activity. Journal of Environmental Management 80 (1) p.1–12.
[18] Parkhurst. 2003. Regulating cars and buses in cities: the case of pedestrianisation in Oxford. https://onlinelibrary.wiley.com/doi/pdf/10.1111/1468-0270.00410
[19] Public Health England Healthy High Streets https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/699295/26.01.18_Healthy_High_Streets_Full_Report_Final_version_3.pdf

Altrincham, Manchester[15]	Improved streets and crossing points	25% increase between 2010-2017
Exeter[14]	Traffic management (including pedestrian and shared space), improving pavement quality, public art, seating, tree planting and lighting	30% increase 2002-2010
Oxford[18]	Pedestrianisation and traffic rerouting	9% increase

3.3 Property Market

In London, a study using the Pedestrian Environment Review System (PERS) audit tool was used to evaluate the walking environment. Stated preference surveys indicated every increase (in scoring terms) of plus 1 equated to an average of 5% increase in flat prices in 2005 (£13,600)[1] and a 4.9% increase in retail rents (£25/square metre per year)[20]. This demonstrates pedestrian willingness to pay for a higher quality of street environment. Local residents were willing to pay via council tax or rental increases and public transport users through higher fares.

While willingness to pay is one method of valuing the public realm, observing housing markets following completion of public realm improvements can also indicate actual market responses. For example in London, improvements to Kensington High Street generated a 12.9% increase in the sale prices of flats located within 200m of the scheme.

Outside of London, more local schemes have been observed to generate 10% rental increases as evident at St Anne's on the Sea (Table 5).

Table 5. Example Projects Demonstrating Property Market Benefits

Location	Scheme outline	Outcome
Kensington, London[14 21]	High street redevelopment including road markings, traffic signals, additional pedestrian crossings, pavement widening, additional planting, cycle parking, removal of street clutter	12.9% increase (flat sale prices within 200m of the scheme)
Sheffield[15]	Peace gardens re-construction, reconfiguration outside Town Hall, increasing pedestrian space	Increase £1.60-£2.40/ sq. ft. rental value
St Anne's on the Sea, Lancashire[15]	Square refurbishment involving seating, landscaping, public art	10% rental increase
Exeter[14]	Traffic management (including pedestrian and shared space), improving pavement quality, public art, seating, tree planting and lighting	Increase £5/sq. ft.

[20] CABE. 2007. https://webarchive.nationalarchives.gov.uk/20110118111838/http://www.cabe.org.uk/files/paved-with-gold.pdf

[21] Public Health England Healthy High Streets https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/699295/26.01.18_Healthy_High_Streets_Full_Report_Final_version_3.pdf

In addition, a further research paper focusing on London streets[16], concluded that street with street environment improvements experienced:

- an uplift in office rental values by up to an additional 4% per annum;
- an uplift of up to 7.5% for retail units; and
- vacancy rates declined by up 17% per annum.

In conclusion, reviewing the literature indicates the potential for retail rents to increase between 10-30%[22].

3.4 Retail Turnover

Reviewing the literature, Whitehead and colleagues estimated retail turnover could increase by 10-25%[4]. More historical evidence suggests benefits might not be immediate, but nevertheless that turnover and profit on pedestrian streets exceeded nearby trafficked streets[8].

3.5 Wider Local Benefits

Other benefits included a reduction in vehicle volumes and speeds, improved safety and the creation of a more attractive environment. For example, public realm improvements in Ealing generated reductions in night-time violence and pick-pocketing[7].

4. Case Studies

4.1 Sheffield

Large scale improvements focused on pedestrian movements between the station and city centre/universities. The project involved a wide package of measures involving the demolition of a tower block, reconfiguring the station entrance area (public realm, water feature, art), new pavements, accessible crossings, lighting, decluttering and improvements to street furniture[23].

The inner ring road was downgraded to a single carriageway, transferring greater space for pedestrians through wider pavements. This reduced vehicle volumes and improved the ease of movement for pedestrians through the removal of subways and the introduction of surface crossings.

[22] Whitehead et al. 2006. The effect of urban quality improvements on economic activity.
[23] CIHT (2010) Manual for Streets 2: Wider Application of the Principles. Chartered Institution for Highways and Transportation, London

The opening of the Sheffield Peace Gardens and other public space improvements was shown to increase shopping visits by 35%, increasing spending by £4.2million[7] [24]. The number of additional visitors is predicted to range between 350,000-770,000 annually[7].

More widely, CIHT reported that general pedestrian movements around Sheaf Street (near the station) increased from 3,174 to 8,700 between 2001 and 2008[6]. This represents an increase of over 170%.

In another part of the city, the remodelling of Eyre Street saw improvements for both cyclists and pedestrians. A seven-fold increase in cyclist movements was reported between the city centre and the Cultural Industrial Quarter. For pedestrians, a 40% increase was experienced in general, but made the most impact for those with mobility constraints (175% increase)[25].

Local rental values were reported to increase between £1.60-£2.40 per square foot[15].

Improvements to Sheffield City were estimated to have created between 341 to 527 additional net jobs[7].

4.2 Exeter

The project involved major redevelopment, including public realm improvements in the historic area of Princesshay.

The Council were able to analyse the impacts of the improvements due to ongoing annual surveys of pedestrian counts during the month of March. This revealed that the number of pedestrians visiting the improved old town increased by nearly 20% between 2006 and 2009. This represented an increase of over 20,000 visitors annually[26].

Rental prices increased by £5/sq. ft. between 2006 and 2008[7].

The improvements also provided stability in rental values, while other local areas experienced decline.

5. Summary

Projects involving improvements in the walking environment, have a wider range of potential benefits despite them not being evenly distributed across the area of impact.

Increasing attractiveness of the urban area through measures such as pedestrianisation and cycling infrastructure, is likely to improve local urban centres, attracting more visitors and incentivising greater spending in the local economy. Consequently, this inflates the desire for residential, commercial and office space in close proximity to the improvement schemes.

[24] https://www.gov.uk/government/publications/build-back-better-high-streets/build-back-better-high-streets
[25] Sheffield City Region, 2011-2026. Transport Strategy. http://www.syltp.org.uk/documents/Document%207%20-%20Reducing%20Emissions.pdf
[26] Landscape Institute. 2011. Why invest in landscape? https://landscapewpstorage01.blob.core.windows.net/www-landscapeinstitute-org/2015/11/WhyInvestFinalA4pages.pdf

Potential drawbacks to urban realm schemes should also be noted. Research suggests that increases in house or commercial prices and rents could force lower economic groups or local small businesses out of the area.

In summary, potential ranges in footfall and rental value benefits are provided in Table 6.

Table 6. Summary of extended economic benefits

Benefit	Evidence range
Footfall	10 – 30% increase
Rental values	£1.60 - £5 /sq. ft. increase

Oxford Street and Oxford Circus Projects

Full Business Case - Policy Alignment Annex

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1. National

1.1 Build Back Better (2021)

The UK Government plans to support economic growth through significant investment in infrastructure, skills and innovation as set out in the 'Build Back Better' strategy aimed at redressing Britain's historic underinvestment in infrastructure.

In pursuing economic growth, the Government is focusing:

- Uniting and levelling-up the country, by helping people access jobs and opportunities through ensuring digital and transport connectivity;
- Green growth, via support of the transition to net zero; and
- A 'Global Britain', with at least one globally competitive city in every region.

The strategy states that high quality infrastructure is crucial for economic growth, boosts productivity and competitiveness, and is at the centre of communities. Infrastructure helps connect people to each other, people to businesses, and businesses to markets, forming a foundation for economic activity and community prosperity. Well-developed transport networks allow businesses to grow and expand, enabling them to extend supply chains, deepen labour and product markets, collaborate, innovate and attract inward investment.

The schemes will first promote unity and levelling-up the country by ensuring that there is a transport system that provides equal access to jobs and opportunities available in Oxford Street Wider Area which is one of the biggest employment hubs in the UK. It further supports green growth by promoting walking and cycling while reducing motorised traffic flows which will reduce emissions and air pollution. Improving pedestrian access to the area will attract more people to the Oxford Street area and the West End promoting the revitalisation of the UK economy and maintaining the competitiveness of the high street in Europe.

1.2 DfT Outcome Delivery Plan (2022)

The Government has published priority outcomes for each Government department, which together capture the government's long-term policy objectives, from maximising employment and improving skills, to achieving net zero carbon emissions by 2050. These priority outcomes have been developed and set out in Outcome Delivery Plans for each government department, including the Department for Transport (DfT).

The DfT's Outcome Delivery Plan identifies three priority outcomes:

- Outcome One: Improve connectivity across the UK and grow the economy by enhancing the transport network, on time and on budget;

- Outcome Two: Build confidence in the transport network as the country recovers from the Covid-19 pandemic and improve users' experience by ensuring that the network is safe, reliable, and inclusive; and
- Outcome Three: Tackle climate change and improve air quality by decarbonising transport.

The Plan also supports priority outcomes for other departments, including:

- The Department for Business, Energy and Industrial Strategy (BEIS) goal to reduce UK greenhouse gas emissions to net zero by 2050; and
- The Department for Levelling Up, Housing and Communities (DLUHC) plan to raise productivity and empower places so that the whole country benefits from levelling up.

The schemes will ensure that there is a better connectivity of transport systems for pedestrians within the wider area as expected of Outcome One. It further builds confidence in the transport system, especially for pedestrians, by reducing intermodal friction thereby improving safety of all the road users in line with Outcome Two. Finally, by better providing for pedestrians and active travel modes generally, the schemes will also contribute to the efforts aimed at containing climate change and improving air quality.

1.3 Decarbonising Transport (2021)

"Decarbonising transport: a better, cleaner Britain" sets out the government's commitments and the actions needed to decarbonise the entire transport system in the UK. It sets out a very wide range of specific commitments, including:

- Delivering a bold vision for cycling and walking, with the aim that half of all journeys in towns and cities will be walked or cycled by 2030;
- Delivering a world class cycling and walking network by 2040;
- Delivering the National Bus Strategy's vision of a transformed bus industry and a green bus revolution;
- Supporting the delivery of 4,000 new zero-emission buses and the infrastructure needed to support them;
- Improving rail journey connectivity with walking, cycling and other modes of transport;
- Ensuring the UK's electric vehicle charging infrastructure network meets the demands of its users;
- Supporting decarbonisation by investing in local transport systems, enabling local authorities to invest in local priorities – including those related to decarbonisation such as reducing congestion and improving air quality;
- Driving decarbonisation and local transport improvements by making quantifiable carbon reductions a fundamental part of local transport planning and funding; and
- Embedding transport decarbonisation principles in spatial planning and across transport policymaking.

The document includes similar commitments related to freight, railways, maritime transport and aviation, and support for initiatives designed to encourage mode-switch and sustainable transport behaviours. They demonstrate a strong commitment to decarbonisation of transport, with action required from both local and national government to ensure success.

The schemes aim to promote active modes of transport and will contribute to the achievement of a net zero city by 2040. The Oxford Street and Oxford Circus projects will seek to create a sustainable high street through the improvement of its carbon impact through design and construction including the impact of material selecting and sourcing, greening and drainage.

1.4 National Infrastructure Strategy (2020)

The National Infrastructure Strategy sets out the Government's plans for investing in the infrastructure needed to support economic growth, levelling-up and the transition towards net-zero carbon emissions by 2050, as well as recovery from the Covid-19 pandemic, and covers all forms of infrastructure, including energy, transport, water, and digital communications.

The strategy draws attention to, "the importance of strong regional cities as the 'vital organs' of the UK economy", emphasising that, "cities drive economic growth through agglomeration effects; they encourage specialisation, drive competition and spread ideas and innovation faster than other places", although acknowledging problems like congestion which can inhibit productivity.

The strategy notes that, "Transport needs to work hand in glove with skills, education, housing, culture and environment policies to deliver the step change in quality of life and economic performance the government wants to see".

As well as decarbonising private vehicles, the government wants to increase the share of journeys taken by public transport, cycling and walking, and decarbonise buses and trains. Supporting greener buses is another key part of the government's agenda for achieving net zero and tackling air pollution.

The objectives of the schemes and of the National Transport Strategy are both premised around economic growth, improved people experience and improved environment. The schemes localise the objectives of the national transport strategy by identifying inadequate active mode transport infrastructure as one key factor affecting the full revitalisation of the economy within the area, the levelling-up strategy and the transition towards net-zero carbon emissions by 2050.

Considering the notable contribution of visitors to the economy of Oxford Street, support for active travel, and the subsequent improvements to the urban realm, will promote social and economic activities, which is expected to have a beneficial impact on the

economy of the area. As an economic hub, the schemes will promote agglomeration effects while providing means of containing the negative impact of the influx of businesses and visitors.

1.5 Gear Change (2020)

"Gear Change" sets out a plan to create a step-change in cycling and walking, with the UK Government envisaging an England that is a 'great walking and cycling nation', with cycling as a mass form of transit and a target that half of all journeys in towns and cities should be cycled or walked by 2030.

To facilitate this, actions are grouped into four central themes:

- Better streets for cycling and people – thousands of miles of safe, continuous, direct routes for cycling in towns and cities, physically separated from pedestrians and volume motor traffic;
- Cycling and walking at the heart of transport, place-making and health policy – significantly increasing dedicated cycling and walking funding, and creating long-term cycling and walking programme and budget;
- Empowering and encouraging local authorities – by increasing funding for local authorities, but also ensuring that Government funding is only granted to schemes that meet new standards. No funding shall be given to schemes that do not meet the new standards and principles established; and
- Enabling people to cycle and protecting them when they do – introducing new laws and safety standards.

The design guidance to support Gear Change is set out in Local Transport Note (LTN) 1/20, as issued in July 2020. It reflects current best practice, and states that, for schemes where the main element is not cycling or walking, there will be a presumption that they must deliver or improve cycle infrastructure to the standards set out in the LTN, unless it can be shown that there is little or no need for cycling in the particular scheme.

The scheme proposals seek to improve the quality of the urban realm within the Oxford Street area. This will be reflected in the creation of a sustainable transport environment promoting road safety and active modes of transport.

1.6 Levelling Up White Paper (2022)

The Levelling Up White Paper sets out the government's plans to spread opportunity more equally across the UK. It seeks to tackle the regional and local inequalities that unfairly hold back communities. It says that the answer to inequality is not to, "hobble those areas that are doing well", but to deliver "more growth, more jobs and higher wages right across the UK" to level up the country and close the productivity gap between areas.

The White Paper launches a number of clear and ambitious medium term, "levelling-up missions", designed to serve as an anchor for policy across government, as well as catalysing innovation and action by the private and civil society sectors. The missions are rolling decade-long endeavours and will be reviewed periodically by the government.

Under the theme of boosting productivity, pay, jobs and living standards by growing the private sector, the White Paper notes that "Transport can boost productivity by connecting people to jobs and businesses to each other. It also supports wider quality of life, positive health outcomes and local pride by helping to regenerate high streets and town centres, supporting people to increase their physical activity, socialise and access shops and services."

Specific interventions supported by the White Paper include zero-emission buses and improvements to bus routes, as well as improvements for cycling and walking.

The scheme proposals will support the economic and social prospects of the Oxford Street area, along with the creating an environment that is attractive for both businesses and residents. In line with the levelling up strategy, the schemes also aim to improve the general well-being of residents and visitors by reducing traffic flow which will have an impact on air quality and the quality of life.

2. Regional

2.1 The London Plan 2021

The Greater London Authority's (GLA) New London Plan sets out the economic, environmental, transport and social framework for the strategic and sustainable development of London over the next 20 to 25 years. It sets out the Mayor's vision for Good Growth. Relevant policies include:

- Policy T2 – states new development should adhere to the Healthy Streets principles;
- Policy SD4 (The Central Activities Zone (CAZ)) – states that 'the vitality, viability, adaptation and diversification of the international shopping and leisure destinations of the West End and Knightsbridge together with other CAZ retail clusters should be supported', and also 'The attractiveness of the CAZ to residents, visitors and businesses should be enhanced through public realm improvements and the reduction of traffic dominance'.
- Policy D1 – states that Development Plans, area-based strategies and development proposals should address the form and layout of a place (for example, using land efficiently; facilitating an inclusive environment; having clearly defined public and private environments; provision of active frontages and reciprocal relationships between the buildings and public realm; and facilitate active travel) and the development design should respond to local context, be of high quality and sustainable, respect heritage assets, provide urban greening, and achieve comfortable and inviting environments, inside and outside buildings.

- Policy D3 – states that development proposals are required to achieve the highest standards of accessible and inclusive design.
- Policy D8 – specifies how the public realm should be designed, for example:
    - Safe, accessible, inclusive, attractive, and easy to understand;
    - Relating to the historic context;
    - Ensuring it encourages active travel;
    - Being based on an understanding of the role of the public realm in an area;
    - Balancing ease of movement with the creation of a place;
    - Ensuring a mutually supporting relationship between the space, surrounding buildings and uses;
    - Ensuring buildings activate and define the public realm;
    - Good management and maintenance arrangements;
    - Incorporation of green infrastructure;
    - Creation of shade and shelter;
    - Engaging for people of all ages;
    - Non-continuous / non-dominant on-street parking; and
    - Provision of free drinking water.

The schemes support 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. The proposals adopt the healthy streets (Policy T2) principle set out in the London Plan. It aims to enhance the attractiveness of the area by improving the public realm, a concept that is also found in the London Plan for designated central activities zones such as the West End. The scheme further adopts Policy D8 principles of public realms which are also aligned to Policy D3 statement.

2.2 Central Activities Zone (CAZ), Supplementary Planning Guidance (2017)

The GLA's supplementary planning guidance sets out specific policy details for the CAZ, within which the OSD sits. It builds on the policies contained in the London Plan, adding detail on how to support and enhance the special nature of this area, by:

- Protecting London's vibrant commercial heartland and ensuring it can remain a key driver of the UK economy for decades to come;
- Striking an appropriate balance between office and new residential development including the removal of office to residential permitted development rights when the current exemption expires in May 2019;
- Managing the attractions of the area as a global destination for culture, entertainment, shopping and tourism;
- Outlining the potential for additional housing capacity in central London without compromising the business, culture and other key functions of the zone. This could be done by building new homes in specific parts of central London, including the Opportunity Areas and by renewing existing housing;
- Promoting movement by walking and cycling and encouraging investment in existing and new transport infrastructure to support development; and

- Recognising the value of central London's unique heritage and supporting a quality of environment that befits the core of a world city.

The schemes contribute to the enhancement and promotion of London as a healthy city and global tourist destination. It further reinforces the role of West End designated as a key driver of the UK economy.

2.3 The Mayor's Transport Strategy (2018)

The Mayor's Transport Strategy promotes prioritising human health and experience and changing London's transport mix so that it works better for everyone. Key policies and proposals include:

- Policy 1 states that the Mayor will 'seek to make London a city where people choose to walk and cycle more often by improving street environments';
- Proposal 2 states that the Mayor, through TfL, will work with the central London boroughs to transform the experience of the walking and cycling environment in central London by reducing the dominance of vehicular traffic, including by transforming Oxford Street;
- Policy 7 states that transport schemes should protect existing and provide new green infrastructure to deliver a net positive impact on biodiversity; and
- Proposal 15 intends to improve the efficiency and safety of freight, an issue that is likely to affect the Oxford Street District, given the delivery and servicing needs of Oxford Street.

The objectives support the healthy streets approach and prioritises health and experience for the London residents and visitors. The scheme objectives fully adhere to Policy 1, 2, 7 and 15 of the Strategy and seek to create an environment that is accessible by all, encourages walking and cycling, is safe and promotes a green environment.

2.4 Healthy Streets for London (2017)

Healthy Streets for London prioritises walking, cycling and public transport to create a healthy city, supplemented by the 2018 Walking Action Plan. The ten Healthy Streets indicators are:

- Pedestrians from all walks of life
- People choose to walk, cycle and use public transport
- Clean air
- People feel safe
- Not too noisy
- Easy to cross
- Places to stop and rest
- Shade and shelter

- People feel relaxed
- Things to see and do

The schemes support the creation of healthy, vibrant and successful London environment as envisioned by Healthy Streets for London. By improving the public realm, the scheme objectives are aligned to all the ten healthy streets indicators.

2.5 Walking Action Plan (2018)

The Walking Action Plan sets out the Mayor's aim to make London the world's most walkable city, with '80 per cent [from a base of 63 per cent in 2015] of all trips in London to be made on foot, by cycle or using public transport by 2041.'

The schemes support the envisioned improvements in walking experiences and the consequent reduction of car dependency.

2.6 Vision Zero Action Plan (2018)

The Vision Zero Action Plan sets out the Mayor's aims 'for no one to be killed in or by a London bus by 2030, and for all deaths and serious injuries from road collisions to be eliminated from London's streets by 2041.'

The schemes aim to improve pedestrian safety through the enhancement of existing pedestrian crossings and the introduction of additional crossings along Oxford Street. It is envisaged that the achievement of this objective will contribute to a reduction in the number of accidents and incidents along Oxford Street and therefore facilitate the effectiveness of the Vision Zero Action Plan.

2.7 Mayor of London's Draft Culture Strategy (2018)

The Mayor's Draft Culture Strategy sets out the Mayor's programmes for investment in London's cultural offer, with a focus on inclusivity and community engagement. The strategy remains at draft stage following a public consultation in spring 2018.

The OSP is cognisant of the importance of culture as one driver of economic and social activities within the area and therefore aims to improve the attractiveness of Oxford Street through the improvement of the pedestrian experience, along with providing the conditions for night time taxi access.

2.8 Culture and the Night-Time Economy Supplementary Planning Guidance (2017)

The Mayor of London's supplementary planning guidance for culture and the night-time economy sets out how London can move towards a 24-hour city model. It emphasises the need to support existing venues in the face of widespread closures. The CAZ is given particular prominence; the country's largest concentration of night-time activities should be

recognised, improved and managed by the Mayor, boroughs and other agencies. The West End's special characteristics should be promoted, enhanced and protected as a Strategic Cultural Area.

The guidance supports extending the opening hours of existing daytime facilities like shops and cafés and integrating leisure and other uses to create bridges between the day and night-time economy and diversify the range of activities and promote access for a range of audiences. Licensing should balance the interests of residents with the functions of the night-time economy.

The document also emphasises the need for safe, convenient and accessible public transport throughout the day and night, and a public realm where the fear of crime does not undermine the quality of the experience.

The improved pedestrian experience and environment brought about by the scheme will enhance the outlook of the night-time culture and support the objectives of the Mayor of London's supplementary planning guidance for culture and the night-time economy.

3. Local

3.1 Westminster City Plan 2019-2040 (2021)

The Westminster City Plan was formally adopted in April 2021. The city plan aims to enable Westminster's high streets to adapt to changing circumstances and to thrive in the future. The new policy includes a change in approach to how high streets are managed and would aim to create a lot more flexibility for change of use in response to the changing nature of retail.

It will seek to make Westminster's high streets a destination for leisure and entertainment as well as shopping, whilst still maintaining the retail focus of the area, which will help shopping centres face the unprecedented challenges posed by online retail, falling sales figures and customer expectations for exciting destinations and experiences. Oxford Street is an international shopping centre and expectations for the quality and range of retail and entertainment offers are that they should be world class.

The transformation of the OSD is seen as a key component of creating an improved retail and leisure experience that responds to innovation and change in the sector. The Plan identifies the aspiration for Oxford Street to include 'a more diverse and interesting mix of uses and better-quality public realm that prioritises pedestrians, enhances the shopper experience, and makes it a more attractive place to visit and enjoy.' As part of achieving this vision, the Plan emphasises the need for comprehensive proposals for the future of the area to respond to the changes facing the retail sector, with a key focus on user experience.

Westminster City Council's ambition to create a 'Fairer Westminster'.

The City Plan sets out its approach to the West End in Policy S7: West End Special Retail Policy Area (WESRPA). This states that the unique status and offer of the WESRPA as a global shopping destination should be maintained and enhanced through:

- Improved retail space;
- Appropriate retail growth throughout the WESRPA, including provision of A1-grade retail space along the primary shopping frontages at (at least) basement, ground and first floor levels;
- Improved pedestrian environment to manage the significant pedestrian flows and address the adverse impacts of pedestrian congestion;
- Improved public transport provision and access to it, including Elizabeth Line stations at Tottenham Court Road and Bond Street;
- Development of oasis areas of rest, including seating areas, and café and restaurant uses where appropriate to support the main retail areas;
- Improved linkages to and from surrounding retail areas and visitor attractions; and
- Provision of appropriate service uses where they complement the shopping environment.

Similarly, Policy S5 concerning the Tottenham Court Road Opportunity Area requests A1 - grade retail use at basement to first floor level for all frontages onto Oxford Street within the opportunity area, due to its role as the eastern gateway to the OSD.

The projects operate within the framework of the Westminster City Plan. It operationalises the themes and objectives set out in the City Plan and contributes to the creation of an inclusive environment promoting economic growth.

3.2 Fairer Westminster 2022-2026 (2022)

The Fairer Westminster strategy aims to directly work with local people to, "build a more inclusive city that celebrates its diverse communities, and where residents, workers and visitors from all backgrounds will feel welcome and safe". The strategy has five main ambitions including creating fairer communities, housing, economy, environment, and governance. Incorporated within these includes ambitions to:

- Ensure Westminster remains economically successful, with a diverse, sustainable, resilient economy that delivers growth and benefits for all residents today and in the future;
- Reimagine and revive Oxford Street and the West End, safeguarding their position in the national economy, and ensuring they deliver a world class offer and experience to residents, businesses, workers and visitors.

The scheme aims at maintaining the status of the Oxford Street Wider Area as one of key economic hubs in the country by ensuring that the proposed improvements attract businesses, residents, and visitors. It supports the creation of an inclusive environment that promotes sustainable and diverse economic growth.

3.3 Climate Emergency Action Plan (2021)

The Westminster Climate Emergency Action Plan outlines a comprehensive list of actions aimed at achieving net zero carbon emissions by 2040. It encompasses a range of interrelated council policies that collectively drive environmental improvements across Westminster. The vision for the City Council is to work in partnership with all organisations and everyone who lives, works, studies or visits Westminster to tackle climate crisis urgently.

The Westminster Climate Emergency Action Plan aims to accelerate carbon emission reductions and associated improvements in air quality across the city through a comprehensive set of actions across five themes.

The priority of the first theme, which is Efficient Buildings, is to improve building efficiency and deliver energy cost savings, with the goal of maximising the retrofitting of buildings to cut their energy demand and new developments achieving best practice standards to minimise energy demand and waste.

Clean and affordable energy is the second theme and its priority is to increase availability, affordability and use of low and zero carbon energy and the goal is to harness opportunities for the local generation and distribution of renewable energy.

The sustainable travel and transport theme prioritises cutting transport-based sources of emissions and air pollution with a goal to cut vehicle trips and increase sustainable and active travel and accelerate the transition to electric vehicles across Westminster.

Under reduced consumption and waste theme, the priority is to reduce waste, increase recycling, and promote sustainable consumption with a goal of adopting sustainable purchasing practices and products; drive reductions in waste and a step change in rates of recycling and fully embed resource efficiency and the re-use of materials as part of an established low carbon circular economy.

Finally, the priority for the green and resilient city theme is to enhance the natural environment and ensure the city is resilient to climate change impacts with the goal to protect and enhance Westminster's green space

The Oxford Street Programme realises the urgent need to contain the negative impacts of climate change. It sets out how pedestrian access will be improved and made more comfortable and safer. Additionally, the Oxford Street and Oxford Circus projects will assess and seek to mitigate carbon impact through design and construction.

3.4 Air Quality Action Plan, 2020

Air quality is a priority for people in Westminster, and the Council has therefore developed an action plan to help tackle this problem, identifying the following priorities to keep air clean:

- reducing or cleaning dirty journeys and create better infrastructure for electric and low emission vehicles;
- placing emissions and pollution at the forefront of decision making on public spaces and buildings and encouraging all those who shape spaces and buildings to do likewise;

- making environmentally friendly options easier for everyone; and
- moving the air quality agenda forward through thought leadership and innovation.

The Air Quality Action Plan provides a comprehensive overview of how the Council will continue to make progress on this agenda from 2020 to 2024, and includes monitoring air quality, reducing emissions from buildings and new development, reducing emissions from transport, raising awareness of air quality and lobbying and partnership working.

The proposed project proposals takes into the consideration the impact of design on air quality and seeks to mitigate it. Specifically, active travel will be supported and delays at Oxford Circus reduced to reduce dwell time for stationary traffic.

3.5 A Partnership Approach to Open Spaces and Biodiversity in Westminster, Westminster City Council (2019)

In March 2019 the Council published their strategy concerning open spaces and biodiversity – A Partnership Approach to Open Spaces and Biodiversity in Westminster. The importance of open and green spaces along with the role of local authorities in protecting, managing and enhancing them is recognised in a range of local policy documents as framework.

However, the Strategy is the first dedicated document to open space and acknowledges the value of the wealth of green assets to the district – from parks and gardens to green infrastructure including living walls and roofs – and recognises the myriad benefits they bring to Westminster as a place and as a community. In aligning with existing policies and frameworks, the Strategy sets out how the Council, along with partners will seek to protect, promote, enhance and make the most of their green assets.

Though there are several priorities outlined in the Strategy, those which the Oxford Street and Oxford Circus projects particularly well-placed to contribute to include:

- Prioritising greening by creating new green infrastructure – committing to the expansion of Westminster's green network including the Wild West End;
- Biodiversity and wildlife – committing to protect important habitats and species; and
- Managing and Balancing Demand - committing to ensure Westminster's green assets can be used for a range of purposes, without jeopardising people's enjoyment of them.

The Oxford Street project is committed to promoting biodiversity through greening. While designs are still being developed, the tree species selected seek to create a mosaic of green canopies for an increased biodiversity gain and extended periods of colour and interest. Greening will support the creation of green corridors to support a biodiverse ecological connection between green spaces.

3.6 Cultural Strategy (2021-2025)

Through its Cultural Strategy, Westminster envisions a city that welcomes visitors and residents to experience Westminster's extraordinary cultural heritage alongside

contemporary creative innovation and enterprise. The strategy seeks to deliver four key priorities:

- Culture for all: To increase access to culture for all, with a specific focus on reaching residents that encounter physical, social and economic barriers;
- Resilient communities: To support health and wellbeing programmes, deepening relationships between the council's Families, Public Health, Adult Social Care, and Libraries services, and cultural partners and health providers;
- Open for business: To nurture the creative economy we will attract new business and investment by increasing opportunities to engage in creative enterprise and the local cultural offer; and
- Creative placemaking: To ensure creative placemaking, so that cultural infrastructure, creative workspaces and resident programmes are integral to planning and regeneration schemes.

The programme and proposed projects seek to improve the visitor experience through a number of public realm changes including supporting night-time taxi access. The schemes' objectives and outputs complement the Cultural Strategy (2021-2025) and fall under its four key priorities.

3.7 Economic Development Strategic Framework (2015)

Note: a new strategy is currently under development

Westminster City Council's Economic Development Strategic Framework sets out how Westminster aims to encourage long-term investment in infrastructure, skills and knowledge, thereby promoting a resilient and dynamic local economy.

The framework places an emphasis on supporting local businesses, creating employment and directing investment towards the West End in order to secure its status as a leading destination within both London and the wider UK.

The framework also sets out a number of partnerships with relevant partner organisations which act as key links for the Council, including:

- Individual firms & entrepreneurs
- Further and Higher Education institutions
- Business and sector representation organisations
- Business Improvement Districts (BIDs)
- West End Partnership
- Central London Forward
- Cross River Partnership
- Greater London Authority (GLA), including GLA-affiliated organisations

As part of the 'Places' theme, the framework focuses on ensuring that Westminster's individual places remain distinctive, vibrant, accessible and commercially attractive, which should be achieved through:

- Working with partners to champion and shape Westminster's key economic locations;

- Ensuring the council's commercial property strategies aligns with economic development objectives;
- Investing in and rejuvenating Westminster's high streets and street markets through securing external funding and partnerships;
- Secure the infrastructure appropriate to the heart of a global city; and
- Delivering the workspaces needed by a broad range of businesses, particularly in the West End and designated opportunity areas.

The schemes offer opportunities of achieving some of the goals set out in the Economic Development Strategy. The Oxford Street area is a part of the West End which is one of the key economic locations of Westminster with the proposed interventions supporting the shaping of the West End as an economic location and the delivery of infrastructure that is appropriate for the social and economic context of the area.

3.8 Walking Strategy (2017)

Westminster City Council's latest Walking Strategy seeks to provide 'an opportunity to enhance Westminster's excellent quality of life and its historic environment.' It advocates environmental improvements that 'make walking easier and more attractive, which can improve air quality and thus the health and lives of residents, workers and visitors and the local economy.' The strategy states Westminster City Council's target to 'increase the number of walking trips by residents from 84% to 92% of all potentially walkable trips'.

The objectives of the strategy are stated as:

- Providing capacity to support current walking demand and accommodate future growth;
- Improving the quality of the walking environment and the public realm to make walking more comfortable;
- Making walking more intuitive by increasing legibility and permeability of walking routes;
- Ensuring walking is a safe option for everyone;
- Making the pedestrian environment more accessible for everyone; and
- Encouraging behaviour change to realise the potential of walking.

The objectives of the Oxford Street and Oxford Circus projects support the key tenets of the Walking Strategy through the creation of a more accessible and inclusive pedestrian environment.

3.9 Health and Wellbeing Strategy for Westminster, 2017-2022 (2017)

The Strategy sets out how people, public services, businesses, and voluntary and community groups in Westminster will all play a part in creating a city in which everyone has access to opportunities to be healthy, stay well, and live well, supported by a collaborative and cohesive health and care system.

Westminster experiences unique challenges due to its central location and its position as a hub for business, culture, and tourism. The borough also has an ageing population and a high prevalence of childhood obesity.

The key priorities are:

- Providing support for children, young people and their families to live healthier lives;
- Helping people to prevent the onset of long-term health conditions such as dementia and heart disease;
- Improving mental health services through prevention and self-management; and
- Improving the way we work to offer better health and social care.

The proposed projects complement the ambition of the Health and Wellbeing Strategy through the creation of better-quality public realm, which will have an impact on the physical and mental wellbeing on people of users of the street. The enhanced public realm is expected to, among other broad objectives, promote safety and active travel which is aligned with the Strategy and is beneficial for health and well-being

3.10 Greener City Action Plan, 2015-2025 (2015)

The Greener City Action Plan is designed to ensure that all of Westminster's services and policies work together to create a more sustainable and liveable city, while adapting to the challenges of a changing climate and increased population.

The 11 policy priorities for the ten-year strategy are:

- Addressing noise pollution across the city
- Making better use of the city's waste resources
- Delivering affordable, secure and low-carbon energy supplies
- Improving local air quality
- Supporting a sustainable transport system for Westminster
- Making the best use of open and green spaces
- Ensuring that sustainability is delivered through economic development
- Supporting a sustainable growth
- Managing water use
- Addressing flood risk
- Communicating and encouraging people into environmental action

The principles driving the projects are consistent with the policy priorities of the Greener Action Plan. Active travel and connectivity is to be supported and the improved public realm is expected to, among other Greener Action indicators, make the environment greener and facilitate the realisation of a sustainable transport system for Westminster as envisioned.

3.11 Trees and Public Realm (2011)

The Trees and Public Realm SPD (2011) outlines the Council's strategy for planting trees within the public realm. The document establishes the Council's ambition to maintain or increase the level of tree cover within the city. It is also intended to act as a basis for collaboration with other relevant organisations (including TfL and the Royal Parks survey). This document is supported by the councils pre-existing guidance outlined in 'Trees and other planting on development sites' (2004).

The Oxford Street project will support the strategy by increasing greening with regard to biodiversity enhancement.

3.12 Conservation Areas

The Oxford Street area falls across several different conservation areas, designated by Westminster City Council on the basis of 'special architectural and historic interest.' Additional planning permissions apply in these areas in order to protect their unique characteristics. These are:

- Portman Estate
- Stratford Place
- Mayfair
- Harley Street
- Regent Street
- East Marylebone
- Hanway Street

The projects will support the conservation of areas of specific architectural and historic interests by improving transport access which then enhances the attractiveness of areas.

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Oxford Street and Oxford Circus Projects

Full Business Case - Transport Impact Annex

July 2023

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1. Overview

1.1 Introduction

This document supports the Full Business Case for the Oxford Street and Oxford Circus projects and provides additional detail on the economic appraisal methodology used.

This note is formulated around the key monetised impacts including:

- Pedestrian ambience impacts
- Pedestrian journey time savings
- Road safety impacts
- Wider economic impacts

The detailed designs of the scheme are still being developed and as such, the economic appraisal makes use of the information which is currently available. At this stage, modelling work has not been undertaken and as such these impacts have not been quantified. This is not considered to affect the robustness of the outline business case, as generally they would further increase the benefits of the scheme.

1.2 Scheme Scope

Table 1 below, provides an overview of the scope and Figure 1 presents a high-level overview of the scope.

Table 1. Summary of Scope

	Overview	Cost and Funding
Do Nothing	• 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 • The management of the space would continue to receive the basic level of Council maintenance and relevant highways services	Temporary interventions removal cost of £1.636m[1]
Oxford Street	• 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	£139.8m *Requires 50% third party funding
Oxford Circus	• 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.	£39.6m *Requires 50% third party funding

[1] £1.317m within 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

	• Hostile Vehicle Mitigation (HVM) measures	

Figure 1. Oxford Street and Oxford Circus Project Extents

The economic dimension is based on information correct as of June 2023.

1.3 Appraisal Assumptions

This section provides an overview on the appraisal methodology adopted.

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 to 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 2 below, wider impacts can be estimated, and a proportionate approach considered here includes these wider impacts within an Adjusted Benefit-Cost Ratio.

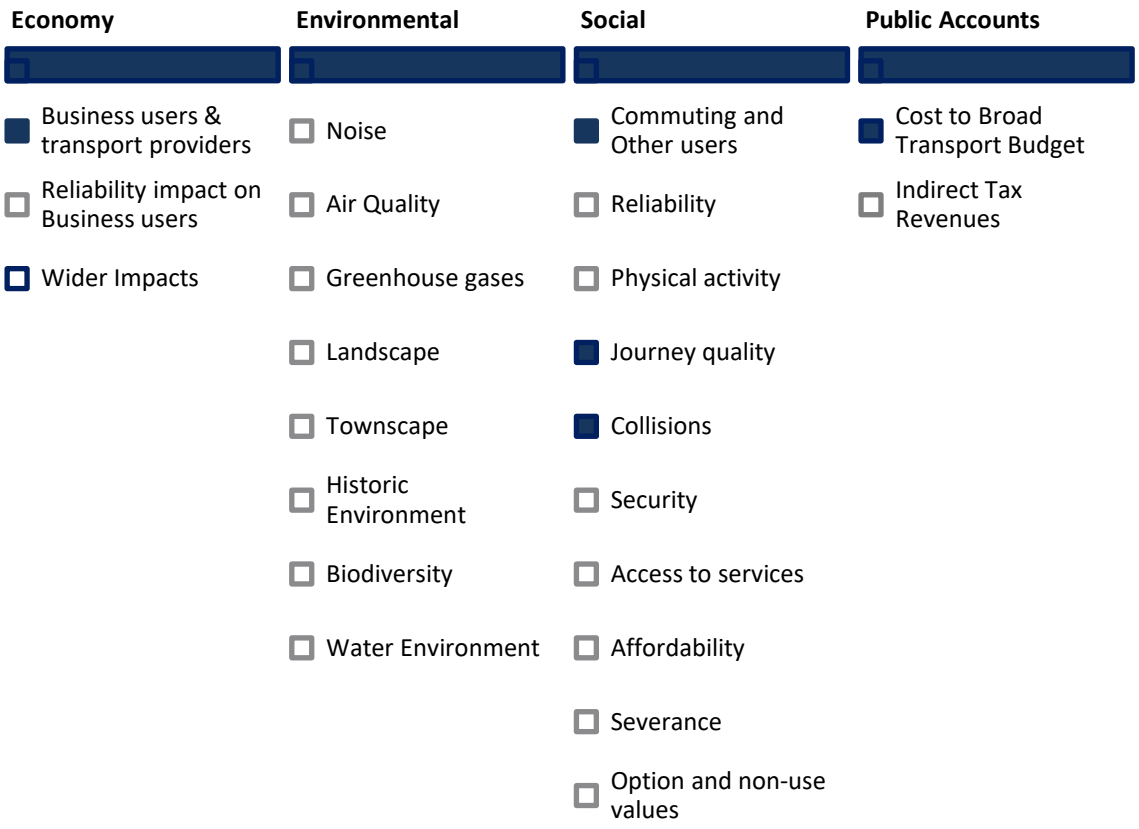

Figure 2. Appraisal Summary Table Impacts

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 in the AST.

1.4 Appraisal Tools and Approach

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

As indicated in Figure 2 above, the three key impacts which have been monetised:

- 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.

Given the focus of the scheme is public realm improvements, a 'basic' Benefit-Cost Ratio (BCR) has been constructed focused only on transport benefits that are clearly outlined in Transport Appraisal Guidance (TAG), using:

- The Valuing Urban Realm Toolkit (VURT) – the Transport for London (TfL) tool provides a monetised assessment of the benefits of improving the urban realm;
- Bespoke pedestrian journey time assessment – TAG values, modelling estimates and assumptions to monetised pedestrian journey time savings;
- Bespoke collision assessment – TAG values for reductions in collisions have been used to estimate avoidable collisions.

Other tools for assessing benefits have been excluded from the assessment for the following reasons:

- Ambience calculator – this toolkit is similar to the VURT; the VURT was considered to have greater flexibility for rating the proposed intervention with the criteria ranging from -3 to =3;
- Active Mode Appraisal Toolkit (AMAT) – the toolkit shares some overlap with VURT as both assess journey quality which would be deemed double counting. The health benefits could have been disaggregated and included; however, as the scheme is only indirectly generating additional active travel benefits for pedestrians only (due to additional footfall) this is unlikely to be due to modal shift in a city central location so was deemed conservative to exclude these benefits.

An 'adjusted' BCR has also been constructed combining those elements in the 'basic' BCR with further Gross Value Added (GVA) uplift elements – namely further uplift from additional visitor spending, additional local jobs supported through higher footfall (due to improved public realm delivered by the scheme), as well as jobs supported directly by construction work on the scheme itself. As outlined in Figure 2, due to the maturity of

analytical techniques an indicative wider economic benefits assessment has been conducted using a bespoke spreadsheet approach.

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 are identified below:

- An opening year of 2027 for both the Oxford Street and Oxford Circus projects (the full first year of benefits following opening[2]);
- An appraisal period of 20 years from opening for the public realm journey quality benefits and wider economic impacts (GVA from construction/retail employment and visitor spending) 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 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.

[2] 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

2. Assessment Scenarios

Table 2 below sets out the scenarios used to assess the scheme, including the values used in each scenario, the table tracks which economic impact each of the key parameters contributes to.

Table 2. 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 (This is based on footfall data from September 2021- August 2022, with a 13% uplift to reflect the opening of the Elizabeth Line[3])					
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%					

[3] Assumption based on Colliers NWEC Elizabeth Line Study (September 2022)

2.1.1 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 Line[4]. 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.

2.1.2 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.

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 (to 38.36% up from 28.36%). This results in a revised

[4] Colliers report Sept-22 NWEC Elizabeth Line Study

annual footfall figure of 50,782,112, representing 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.

2.1.3 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 lower average spending under these conditions.

The low economy annual footfall represents a 10% lower uplift compared to the core scenario (to 18.36% down from 28.36%). This results in a revised annual footfall figure of 43,442,141, representing 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.

3. Journey Quality Impacts

3.1 Introduction

This chapter describes the methodology adopted to monetised journey quality benefits.

3.2 Methodology

The main impact from the public realm improvements is to generate journey quality improvements for existing and new pedestrian users.

This has been assessed using the Valuing Urban Realm Toolkit (VURT). This toolkit was developed by (TfL) 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 assessment have been converted to 2010 market prices and discounted to 2010, in according with DfT guidance.

The first step is to undertake a Pedestrian Environment Review System (PERS) audit of the existing situation on the ground, capturing the relevant attributes. This was primarily conducted using desktop surveys using Google street view to account for the street environment prior to the temporary Covid-19 measures being implemented along Oxford Street. Supplementary site visits were undertaken in November 2022 to verify the audit.

A PERS audit template was completed for each street giving each link a rating between -3 to 3. In addition, the PERS/VURT can also assess 'spaces'. It was deemed appropriate for Oxford Street to also be valued against these criteria as the public realm improvements should assist with making the space more intuitive and comfortable for dwelling

Scheme designs are then used to assess the improvements to each of the attributes. As with the existing pedestrian environment the link are also given a rating between -3 to 3. These scores are then converted into monetised values. A summary of the PERS scores for both the baseline and with scheme scenarios is provided in Tables 3 and 4 below.

Table 3. PERS Link Attribute Scores

	Oxford Street East		Oxford Street West		Oxford Circus	
PERS Link Attributes	**Baseline**	**Scenario**	**Baseline**	**Scenario**	**Baseline**	**Scenario**
Effective width	-1	2	-1	2	-1	2
Dropped kerbs	0	2	0	2	0	2
Obstructions	0	3	0	3	0	3
Permeability	0	2	0	2	0	2
Legibility	1	3	1	3	1	3
Lighting	0	3	0	3	0	3
Personal security	1	3	1	3	1	3
Surface quality	0	3	0	3	0	3
User Conflict	-1	2	-1	2	-1	2
Quality of environment	0	3	0	3	0	3
Maintenance	0	3	0	3	0	3

Table 4. PERS Space Attribute Scores

	Oxford Street East		Oxford Street West		Oxford Circus	
PERS Space Attributes	Baseline	Scenario	Baseline	Scenario	Baseline	Scenario
Moving in the space	-2	2	-2	2	0	2
Interpreting the space	0	3	0	3	1	2
Personal safety	-1	3	-1	3	1	3
Feeling comfortable	-2	3	-2	3	0	2
Sense of place	-2	3	-2	3	0	1
Opportunity for activity	-3	3	-3	3	1	1

These PERS scores are then inputted into the VURT spreadsheet for each link.

The key inputs and assumptions are outlined in Table 5 below.

Table 5. VURT inputs and assumptions

Input	Assumption
Pedestrian footfall (existing per hour)	Values: see table 6 Oxford Street: calculated using an average of two count sites on Oxford Street over the most recent 12-month period (September 2021-August 2022); and dividing by 365 days in the year and 10.65 to reach an approximate per hour value Oxford Circus: the Oxford Street average value was adjusted using a September 2022 pedestrian survey to produce a more accurate value as Oxford Circus is anecdotally known to experience higher footfall due to the underground. An uplift was applied to Oxford Circus based on a comparison of footfall at locations to the east/west and at Oxford Circus[5]. This survey only captured data for the evening peak hour (17:15-18:15) so it was assumed a similar profile would apply throughout the rest of the day.
Pedestrian footfall (new users per hour)	Value: 28.36% Footfall uplift calculated by generating a percentage change between the most recent 12-month period available (September 2021-August 2022) compared against a 12-month period pre-Covid (January-December 2019)
Average walking distance (m)	Estimated based on professional assessment See table 4 below for values
Average walk speed (m/s)	Default value of 1.33m/s used
Weekday Scaling Factor	10.69 (default value multiplying pedestrian numbers per hour to daily value)
Annualisation Scaling Factor	3,549 [10.69 * 6.5 * 51]

[5] Five sites to the west of Oxford Circus had an average of 3,381 pedestrians per hour (17:15-18:15); three sites to the east of Oxford Circus had an average of 3,494/hour. Oxford Circus recorded 5,240/hour; on average a 52% uplift against the two other sites.

	(accounting for converting from day to week to full year – conservative estimate due to only accounting for 6.5 days and 51 weeks)

Table 6 presents the baseline footfall values used. The pedestrian footfall numbers have been generated using the most recently available 12-month period of two pedestrian counts on Oxford Street. Other localised streets have been estimated using the 2015 pedestrian counts which have given an indication of the proportionate pedestrian flow on these surrounding streets compared directly against Oxford Street. The percentages have then been applied to the 2022 Oxford Street count, to give an estimation of footfall on the surround streets.

Table 6. Baseline pedestrian footfall (NB. Numbers may not sum due to rounding)

	Baseline footfall (per hour)	Scenario footfall (per hour)
Oxford Street East	5,266	6,610
Oxford Street West	4,307	5,406
Oxford Circus	7,292	9,153

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 that potential footfall uplift will be equal to a return to pre-Covid levels of footfall. This is equal to a 28% uplift which corresponds with supporting evidence as included within Appendix B. Appendix B concludes that a 10-30% uplift can be anticipated as a result of schemes of this nature. Therefore, owing to the suppression of footfall as a result of the Covid pandemic, a value at the higher end of the scale is deemed justifiable.

This is also deemed to be conservative on the basis that the future pedestrian footfall will be maintained at this level across the full appraisal period. It is more likely that footfall will continue to grow over the appraisal period.

As outlined above in Table 5, another key input is the average walk distance which is summarised below in Table 7.

Table 7. Walking distances

Street	Value	Comment
Oxford Street (East and West)	660m	The distances between the four underground stations along Oxford Street. It was assumed more visitors wouldn't walk the entire length; instead it was approximated they would walk an average of one-third (or roughly the distance between two underground stations).
Oxford Circus	100m	The approximate distance to travel along two approaches of the junction.

As mentioned previously, Oxford Street has also been assessed as a 'space'. For this another two key inputs were needed:

- Static users (stationary users of the space) - this was estimated as 10% of Oxford Street hourly users;
- Dwell time (how long static users remain in the space) - has been included at 5 minutes in the baseline and 10 minutes with the scheme in place. Given the retail nature of the area, it is considered a reason assumption without any more local evidence available.

3.3 Results

The primary benefit of the public realm improvements is to generate journey quality improvements for existing and new pedestrian users. 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 as £52.94m for Oxford Street and £6.99m for Oxford Circus (discounted and deflated to 2010 prices).

The journey quality benefits that are expected to be delivered are £52.94m for Oxford Street and £6.99m for Oxford Circus across a 20-year appraisal period.

4. Road Safety Impacts

4.1 Introduction

This section outlines the approach taken to the assessment of road safety improvements.

4.2 Methodology

Collision assessment tools typically quantify benefits from a reduction in car kilometres. This impact is yet to be modelled for this scheme, and due to the wider improvement for pedestrians (including reducing conflict between users) it was deemed appropriate to undertake a bespoke appraisal. For the assessment a more targeted approach for quantifying collision reduction has been undertaken. This is considered proportionate and appropriate as the schemes improve the public realm.

Local collision data were extracted from the DfT's Road Safety database (STATS19) which collates all road traffic collisions resulting in personal injury that were reported to the police within 30 days.

The most recent six years of data between January 2016 and December 2021 was consolidated. Typically, 5 years' worth of data is included however, in this instance, due to the impacts of the Covid-19 pandemic this has been extended.

As shown in Figure 3 the collisions involving pedestrians are distributed along Oxford Street, with a concentration of these the key junctions due to the high levels of activity and conflicts between users of the space.

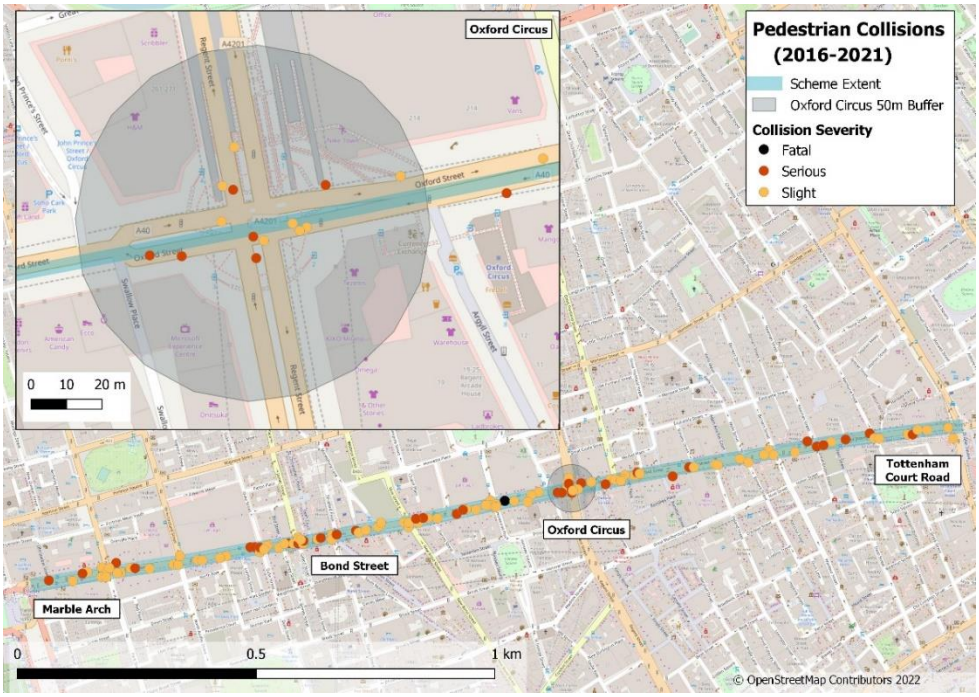

Figure 3. Map of pedestrian collisions recorded along Oxford Street, 2016 to 2021[6]

As shown in Table 8, the analysis showed that 128 collisions involving pedestrians occurred directly along Oxford Street across the 6-year period. This included 2 fatal, 30 serious in nature and the remaining were classified as slight. Collisions within the vicinity of Oxford Circus (i.e. a 50-meter radius) were recorded as zero fatal, 7 serious and 9 slight.

Table 8. Pedestrian user collision recorded along Oxford Street, 2016 to 2021[7]

Severity	Oxford Street		Oxford Circus	
	Total	Average[8]	Total	Average[8]
Fatal	2	0	0	0
Serious	30	5	7	1
Slight	96	16	9	2
Total	**128**	**21**	**16**	**3**

Within GIS these collisions were visualised and those directly within the scheme extent where shortlisted as potentially avoidable. Due to the nature of the schemes, the analysis focused solely on pedestrian collision. Casualty savings were calculated based upon the number of collisions which may have been avoided if the public realm and pedestrian priority scheme had been implemented as proposed. An average value was then derived as shown in Table 8.

[6] STATS19 Data, Department for Transport, 2022
[7] STATS19 Data, Department for Transport, 2022
[8] Rounded values

As the STATS-19 collision data omits specific collision descriptions a proportionate and conservative approach had to be taken. As such, the following steps were taken have been also considered:

- Identifying the collisions involving pedestrians;
- Estimating a potential reduction based on the RoSPA reduction forecasts (Table 9) – these factors were rationalised and prioritised those which aligned best with the scheme scope. A 50% reduction was considered a reasonable value due to factoring the combined measures being installed (including streamlining traffic movements along Oxford Street);

Table 9. RoSPA collision reduction forecasts by modification type

	RoSPA Collision Modification type	Reduction in Collisions
Most Applicable	Footway	37%
	Crossing improvement	41%
	Street lighting improvements	21%
	Junction improvement	44%
	Markings	34%
	Controlled crossing	31%
Least Applicable	Bus/Cycles only	50%
	Pedestrianised	100%

- Applying the reduction to the average annual collision rate – this had to consider the impacts of rounding and as such generated the following values:
    - Oxford Street: 8 slight, 3 serious and 1 fatal collision (as <1 per year is infeasible and 0 per year would underestimate the benefits);
    - Oxford Circus: 1 slight and 1 serious collision (as <1 per year is infeasible and 0 per year would underestimate the benefits).
- Applying the per casualty price to generate a monetised collision saving per annum and across the appraisal period. The 2010 price and value year has been used to avoid the requirement for deflating the values (as the values are already in 2010 prices and therefore only require discounting);

The approach is deemed conservative due to:

- Applying the reduction only to pedestrians - this is deemed conservative as cyclists may also gain some indirect benefits as the public realm improvements would reduce the conflict between the vehicle carriageway and footways (e.g. due to insufficient width pedestrians setting out into the carriageway).

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 upon 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 a potential average annual casualty cost saving. Using the 2010 values for collision savings the benefits of casualty avoidance have been assessed over a 60-year appraisal period. These annualised values

have then been discounted at 3.5% p.a. from the first full year of benefits (2027) to the first 30 years, in line with TAG Unit A1.1, at 2010 prices.

As noted above, this is considered a proportionate and appropriate approach for the nature of the scheme. It is considered that the casualty saving benefits generated are conservative as they have only considered collisions involving pedestrian (motorised vehicles and cyclists will also likely benefit) and have utilised the 2010 value prices rather than increasing over time as displayed in the TAG databook.

4.3 Results

The assessment assumed 50% of pedestrian collisions could be avoidable and therefore, the following has been identified:

- Oxford Street – 8 slight, 3 serious and 1 fatal collisions saved on average per year
- Oxford Circus – 1 slight, 1 serious and 0 fatal collisions saved on average per year

Using these values an annual collision based on 2010 values (casualty cost) is £2,511,216.

Based on those assumptions, the bespoke assessment estimates £35.78m for Oxford Street of Present Value Benefits (PVB) over the 60-year appraisal period in 2010 prices. For Oxford Circus the PVB is £3.07m.

The bespoke safety benefits assessment deliver £35.78m in PVB for Oxford Street and £3.07m for Oxford Circus.

5. Journey Time Impacts

5.1 Introduction

This section outlines the approach taken to the assess pedestrian journey time benefits.

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

5.2 Methodology

Typically, journey time savings are extracted from models. This impact is yet to be modelled for the projects, and due to the significant improvements at Oxford Circus was deemed appropriate to undertake a bespoke appraisal. The bespoke appraisal focused purely on pedestrians however, it is noted that general traffic (including cyclists) would be expected to also gain some time saving benefits. These have not been quantified due to the unavailability of traffic modelling at the time of writing.

A LinSig junction model was used to estimate signal phases and timings between the existing and proposed arrangement. Pedestrian delay figures were extracted for the average delay (seconds) per pedestrian as a result of the signal 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 and streamlined signal phases permitting more efficient movement of motorised and non-motorised users throughout the junction.

A bespoke spreadsheet was created to approximate the likely benefits for pedestrians under the proposed junction redesign. Initially the bespoke spreadsheet calculated an average delay saving per pedestrian (from the junction model as described above) as shown below in Table 10.

Table 10. Journey Time Assumptions

	Morning Peak (sec)	Evening Peak (sec)	Average (sec)
Current Average Delay	51.5	55.6	53.55
Future Average Delay	21.8	21.8	21.80
Average Time Saving	29.70	33.80	31.75

This showed that on average each pedestrian would save approximately 31.75 seconds, or 0.53 of a minute. This time saving was then multiplied this across the annual demand accounting for existing demand and forecasted uplift (with values consistent with the inputs from the journey quality assessment). Table 11 below shows the key assumptions incorporated within the bespoke spreadsheet.

Table 11. Journey Time Benefit Assumptions

	Input	Comment
Pedestrian Demand – Existing	7,292 (per hour) 77,660 (per day)	Consistent with values inputted for journey quality benefits (see Table 3)
Pedestrian Demand – New Users	2,028 (per hour) 22,026 (per day)	
Background growth	0%	No additional growth assumed
User Split	Commute – 29.16% Other – 70.62% Work – 0.22%	User splits derived from O2 data on user type per LSOA
Values of Time (£ per hour)	Commute – 14.71 Other – 6.71 Work (walker) – 14.81	Values of time applied to the user split, in line with TAG databook Table A1.3.1 (January 2023)
Annualisation	253	Number of working days (annualised to day demand conversion has accounted for this value)
Appraisal period	60 years	Used to reflect the likely legacy of the changes and lifespan on the assets.

5.3 Results

The assessment applied assumptions which were consistent with the other monetised benefits. 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.

Based on those assumptions, the bespoke assessment estimates £19.16m of Present Value Benefits (PVB) over the 60-year appraisal period in 2010 prices attributed to the Oxford Circus project only.

The bespoke journey time benefits assessment delivers £19.16m in PVB

6. Wider Economic Impacts

6.1 Introduction

This section outlines the approach taken to assessment wider economic impacts.

6.2 Methodology

As noted previously, 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 has been included within an adjusted BCR.

Two aspects of wider economic impacts have been monetised:

- Construction Impacts (direct and indirect jobs);
- Economic Activity and Jobs Uplift (Visitor spend and indirect job creation).

6.2.1 Construction Impacts

The construction of the scheme will create further employment opportunities, for which the employment market will need to accommodate. The construction of the proposed schemes will also make a significant 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.

As such, construction impacts have been estimated from the number of construction jobs being created:

- **Directly** – through direct construction jobs created as a result of the scheme 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.

Using labour coefficients from the Homes and Communities Agency (HCA) Calculating Cost per Job Best Practice Note (2015) [9], it is possible to estimate the number of direct construction jobs that could be supported by the proposed development over the course of the construction phase. Taking account of the composition of the proposed development, the coefficient for the development of 'infrastructure' is considered the most appropriate for calculating the number of direct construction jobs. This labour coefficient published indicates the number of workers per £m output per year (in 2011 prices). This coefficient assumes that 13.9 years of Full-Time Equivalent (FTE) employment would be generated per £1 million of construction cost in 2011 prices.

To use the coefficient, the capital cost (excluding any contingency) has been deflated to 2011 prices using the UK Government GDP Deflator (2022). This has been done to ensure the same price year (the coefficient was in 2011 prices).

Then, applying the above 'infrastructure' coefficient to the deflated construction cost suggests that the proposed development could support 597 years of direct FTE employment spread over the construction phase for Oxford Street and 246 FTE for Oxford Circus.

The number of jobs created can then be used to estimate the Gross Value Added (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 for Oxford Street and 12 months for Oxford Circus.

[9] Homes and Communities Agency (HCA), (2015); Calculating Cost per Job Practice Note

As construction is made up of many discrete elements of work undertaken by specialists (e.g. bricklaying, carpentry, plumbing, electrics etc.), the number of workers on site will inevitably fluctuate during different periods of the construction phase.

In addition to direct construction jobs created, indirect jobs are also created. Construction involves purchases from a range of suppliers who in turn purchase from their own suppliers via the supply chain. The relationships between the initial direct spending and total economic impacts are 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. Local businesses across Oxford Street could benefit from trade connections established during the construction phase of the proposed development. As a result, further indirect jobs would be supported locally within the economy through the suppliers of construction materials and equipment.

In addition, businesses would also be expected to benefit to some extent from temporary growth in expenditure linked to the direct and indirect employment effects of the construction phase. While only a portion of these benefits would be felt in the local area, it would be anticipated that the local economy could benefit from a temporary boost from the wage spending of workers within shops, bars and restaurants, and other service facilities. Such effects are typically referred to as 'induced effects'.

Research undertaken on behalf of the National Housing Federation indicates that the construction industry has an indirect and induced employment multiplier of 2.11[10]. Applying this employment multiplier to the direct FTE construction jobs per year derived above indicates the additional years of indirect FTE employment spread over the construction phase by the proposed development in sectors throughout the UK economy. This has been estimated at 663 FTE indirect job for Oxford Street and 273 FTE indirect jobs for Oxford Circus.

Based on discussion with WCC and 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). The residual employment roles created once this factor has been applied can in turn estimate additional economic output through 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.

To estimate the Gross Value Added (GVA) effects, the ONS 2022 release of Output per Job on GVA per FTE job has been applied, with a value of £71,041 per job per year. This has been applied across the scheme construction timescale.

Table 12 summarises the monetised benefit for GVA uplift from both direct and indirect construction job creation.

[10] Indirect and Induced employment has been calculated using an employment multiplier of 2.11 sourced from the National Housing Federation (2019). This implies that per direct job generated, a further 1.11 induced jobs are supported in the supply chain.

Table 12. Monetised Benefit – 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.

The direct jobs contribute approximately £71k of annual GVA. 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 £7.98m for Oxford Circus.

The scheme is 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.

6.2.2 Economic Activity and Jobs Uplift

One of the key objectives of the scheme is to create a "high quality public realm scheme that addresses accessibility, safety and sustainability issues". The schemes aim to enhance the actual and perceived comfort and security of the pedestrian environment for existing users. It 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 predominately along Oxford Street.

Using data consistent with the journey quality assessment, results in approximately 32.5 million visitors to Oxford Street per annum (calculated using an average of two count sites on Oxford Street over the most recent 12-month period (September 2021-August 2022)).

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 such a 28% uplift has been assumed based on the last 12 months of observed footfall data compared against 2019.

A conservative approach was adopted to assume that not all additional footfall would result in additional local expenditure. The following factors have been considered:

a) **Spending by new visitors only** – it has been assumed that while the improvements will benefit existing users, this wouldn't generate any additional spending. This is considered a conservative approach as due to the improved pedestrian environment visitors to Oxford Street may feel more comfortable in the space and stay longer, thereby potentially spending more in the local economy.

b) **The visitor type** - through utilising O2 phone data[11] a pedestrian type split was derived to determine an approximate split between resident, worker and visitor across the local LSOAs[12]. This demonstrated that approximately 61% of users in the area were classified as 'visitor'. Therefore, in the first instance, it was assumed that only 61% of the increased footfall would be potential leisure spenders (estimated at approximately 9.1million visitors). It is noted that this likely underestimates local spend from other trips (e.g. local office workers).

c) **Net increase is shopping purchases** - it was assumed that not all new visitors would spend in the local economy. As such a conservative approach has been adopted where the annual expenditure figures have been applied to only 5% of the 28% footfall uplift expected from the scheme improvements;

This additional footfall will support additional retail and leisure expenditure along Oxford Street. Average spend per visitor has been estimated using a recent perception survey undertaken by Lake Market Research on West End Perceptions Research, as summarised in Figure 4 below.

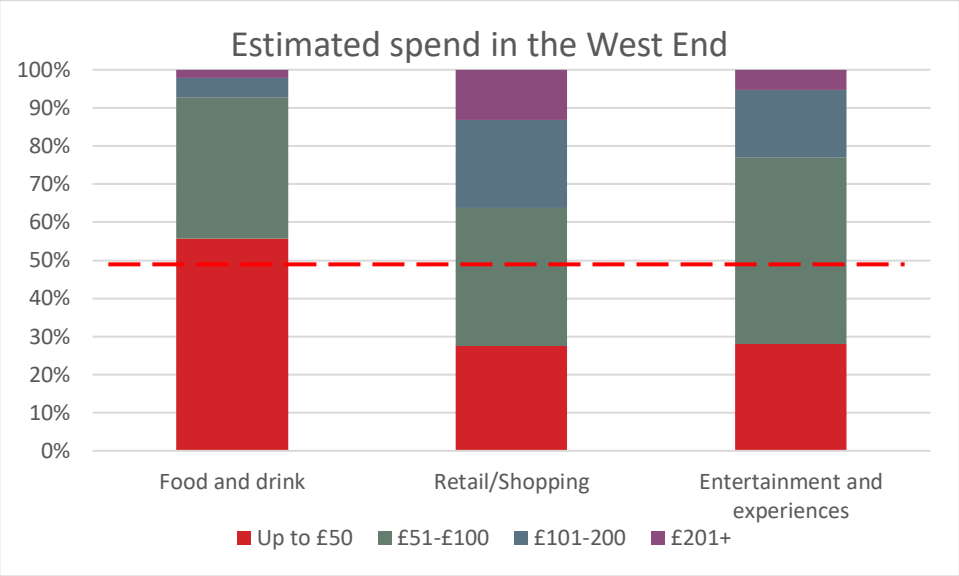

Figure 4. Summary of expected spend on visit to the West End [13]

Due to the nature of Oxford Street being primarily retail, the estimated spend was based solely on this category. As the most common category of expected expenditure for visitors on "retail / shopping" was "between £51-£100", a conservative estimate of £75 on average has been utilised.

Accounting for this, the additional visitor spending per annum has been calculated as an £23.81m per annum (in 2022 prices). It is estimated that over the 20-year appraisal this would generate over £135.82m in additional visitor spending (discounted to 2010 prices).

Furthermore, from this additional visitor spend this can also induce further job creation by converting additional turnover into the creation of FTE jobs. Whilst accounting for potential displacement (estimated to be 20%), the number of gross direct jobs estimated to being created is 30 net direct FTE jobs per year.

[11] WCC data, supplied for the period May 2021 to December 2021
[12] Estimated using MSOA Westminster 011 and Westminster 013
[13] Lake Market Research on West End Perceptions Research, September 2021

The number of jobs created can then be used to estimate the Gross Value Added (GVA) effects using the ONS 2022[14] 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 the 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 bring future pedestrian footfall in line with pre-Covid pandemic levels over the appraisal period (as outlined in the Strategic Dimension, pre-Covid, the assumption was that the Elizabeth Line 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).

GVA uplift for visitor spend and associated job creation is included in the adjusted BCR for Oxford Street only.

The wider economic benefits that the schemes at Oxford Street and Oxford Circus are expected to be delivered are approximately £18.64m and £7.97m PVB in direct construction jobs and a further £18.62m and £7.97m for indirect jobs.

Furthermore, Oxford Street will also generate additional visitor spend estimated at £135.82m across a 20-year appraisal period. In turn, this additional spend it expected to support further job creation to the value of approximately £7.86m.

6.3 Summary of Monetised Benefits

Table 13 below summarise the monetised benefits that have been considered in this appraisal.

Table 13. Overview of costs and benefits (in 2010 prices)

Impact		Oxford	Oxford Circus
Journey quality improvements		£52.94m	£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	£7.98m
	GVA uplift from indirect construction jobs	£18.62m	£7.97m
	Additional visitor spending	£135.82m	N/A
	GVA uplift from net direct retail employment	£7.86m	N/A
Total Benefit		£269.66m	£45.15m

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

7. Sensitivity Analysis

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:

- 30-year appraisal period for public realm improvements and visitor spending – the core scenario assumes a 20-year appraisal period (60 years for accident and journey time benefits). However, this is a deliberatively conservative approach and the lifespan of the infrastructure would likely be extended with the inclusion of ongoing maintenance to prolong the longevity of scheme infrastructure;
- Oxford Circus 30% cost reduction[15] – due to the physical constraints (see Table 10 in the Strategic case) 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%;
- High economy (optimistic) scenario – incorporating a 10% 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% decrease in footfall uplift (to 18.36% down from 28.36%) and a £50 average visitor spend (down from £75).

7.1.1 30-year appraisal period

Tables 14 and 15 below provide a summary of the impact which the 30-year appraisal period sensitivity test has on the potential outcomes. These demonstrate that a 30-year appraisal period increases the BCR markedly, given that journey quality and visitor spending benefits persist for an additional 10 years under this scenario.

Table 14. 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 (£m)	£109.710m		£330.988m	
PVC (£m)	£30.395m	£61.535m	30.395m	61.535m
NPV (£m)	£79.316m	£48.176m	300.593m	269.453m
BCR	**3.61**	**1.78**	**10.89**	**5.38**
Value for Money Category	**High**	**Medium**	**Very High**	**Very High**

[15] 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 15. 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 (£m)	£31.977m	£47.919m
PVC (£m)	£17.127m	£17.127m
NPV (£m)	£14.851m	£30.792m
BCR	**1.87**	**2.80**
Value for Money Category	**Medium**	**High**

7.1.2 Oxford Circus Cost Reduction

The design and build contractor estimated that the work around 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 16 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 16. 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 (£m)	£29.207m	£45.148m
PVC (£m)	£11.989m	£11.989m
NPV (£m)	£17.218m	£33.159m
BCR	**2.44**	**3.77**
Value for Money Category	**High**	**High**

7.1.3 High Economy Scenario

Tables 17 and 18 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 17. 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 (£m)	£91.333m		£387.723m	
PVC (£m)	£30.395m	£61.535m	30.395m	61.535m
NPV (£m)	£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 18. 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 (£m)	£30.351m	£46.293m
PVC (£m)	£17.127m	£17.127m
NPV (£m)	£12.405m	£29.166m
BCR	**1.77**	**2.7**
Value for Money Category	**Medium**	**High**

7.1.4 Low Economy Scenario

As above, Tables 19 and 20 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 economy scenario). The 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 19. 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 (£m)	£86.093m		£185.374m	
PVC (£m)	£30.395m	£61.535m	£30.395m	£61.535m
NPV (£m)	£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**

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 (£m)	£28.062m	£44.004m
PVC (£m)	£17.127m	£17.127m
NPV (£m)	£10.935m	£26.877m
BCR	**1.64**	**2.57**
Value for Money Category	**Medium**	**High**

7.1.5 Summary of Sensitivity Test Results

Table 21 below presents a summary of the BCR's under all the scenarios tested.

Table 20. 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	2.83	1.40	6.10	3.01	1.64	2.57

8. Other Non-monetised Impacts

8.1 Introduction

This section summarises the non-monetised impacts' assessments which have not been quantified.

8.2 Economy

8.2.1 Business Users and Transport Providers

The Oxford Street Project focuses on the delivery of journey quality benefits for pedestrians which will have minimal impact on pedestrian journey times. While the scheme prioritises spaces for pedestrians, the main interventions on Oxford Street will be supported by a package of essential highways improvements which aim to enhance traffic capacity and improve traffic movement. Overall, the anticipated impact on business users and transport providers has been assessed as neutral**.**

The Oxford Circus project focuses on the delivery of pedestrian environment improvements and journey time improvements. The junction redesign will improve journey times for taxis and bus provides by streamlining the vehicle and pedestrian signal phases at the junction. Overall, the anticipated impact on business users and transport providers has been assessed as slight beneficial**.**

8.2.2 Reliability Impact on Business Users and Transport Providers

As above, the Oxford Street project will generate slight improvements in pedestrian journey time reliability due to increased space for pedestrians and further pedestrian prioritisation measures. Therefore, the anticipated impact has been assessed as neutral.

For the Oxford Circus project, the junction redesign will address the existing traffic bottleneck which will reduce delays at the junction and the surround streets, generating a slight benefit to journey time reliability for business users and transport providers.

8.3 Environment

8.3.1 Noise

Paragraph 2.2.2 of TAG Unit A3 Environmental Impact Appraisal states that:

> *"The noise appraisal should be proportional to the scheme and its proposed impact. Analysis should be no more detailed than is required to support robust decision making. The analyses outlined in this Unit may not be appropriate for all schemes but should provide the basis for less detailed analyses where appropriate. Where noise impacts are deemed to be minimal, the analysis of noise impacts may be scoped out."*

It is not anticipated that either project will have a significant impact on noise levels as the scheme focus is aimed at improving conditions for existing and new pedestrian users. The reduction of the carriageway width and minor diversions on traffic will divert some traffic away from Oxford Street, therefore generating a slight benefit for noise on Oxford Street.

Similarly, at Oxford Circus the junction redesign will address the existing traffic bottleneck which will reduce delays at the junction and the surrounding streets. This will generate a slight beneficial impact to noise by reducing the level of stationary traffic.

8.3.2 Air Quality/Greenhouse Gases

For Oxford Street, 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 so overall it is expected to be neutral. The additional planting of trees and planters will contribute to an improvement in local air quality. There will also be an increase in electric vehicle charging points. As a result, it is anticipated that the scheme will have a slight beneficial impact on air quality and greenhouse gas emissions.

For Oxford Circus, motor vehicle emissions will not be impacted significantly. While, there will be a slight reduction in the level of stationary traffic this is anticipated to have a negligible impact on air quality and greenhouse gas emissions.

8.3.3 Embedded Construction Carbon

According to a carbon impact assessment undertaken by WCC using their Carbon Impact Evaluation Tool (which is based on forecast scheme expenditure), the full scheme construction (Oxford Street and Oxford Circus) is estimated to embody a total of 46,749 tonnes of CO2e. The do-nothing scenario will also include some carbon impact but this has not been quantified through the tool. Nonetheless, the scheme is considered to be one of the top five most carbon intensive projects in WCC's capital programme.

Considering the level of design at this stage, a more sophisticated consideration of carbon is not possible, however there is potential to incorporate within the detailed design of the scheme and the accompanying processes measures which reduce the scheme's carbon impact. This is a priority for WCC in line with the Net Zero commitments and responds to the visitor perception survey which indicates a strong desire for a more environmentally sustainable and climate friendly street.

Overall, it is expected that the scheme will have a slight adverse impact in terms of embedded construction carbon at this stage.

8.3.4 Landscape

As the scheme is entirely within a London borough the impact on landscape is therefore negligible and has been assessed as not applicable.

8.3.5 Townscape

Townscape is defined in TAG as the physical and social characteristics of the built and non-built urban environment. It relates to a sense of place or identity, and can take the form of buildings, structures and spaces. The social characteristics are determined by how these are used and managed. Townscape incorporates all aspects of urban form, not just those of an historic nature or value. The impacts on the historic environment are appraised separately below.

As detailed in the Strategic Case, the Oxford Street area is located across several different conservation areas, designated by Westminster City Council on the basis of 'special architectural and historic interest.' Additional planning permissions apply in these areas in order to protect their unique characteristics. These are:

- Portman Estate
- Stratford Place
- Mayfair
- Harley Street
- Regent Street
- East Marylebone
- Soho
- Hanway Street

Many of the areas locally are considered to have distinctive character and historic buildings. Oxford Street is often named as the boundary to these conservation areas and the proposed improvements will enhance the public realm and local character. For the Oxford Street project, due to its close proximity to several conservative areas the public realm improvements will enhance the townscape and local character of the area. As such it is anticipated that the scheme will have a slight beneficial impact on townscape.

For Oxford Circus, the improvements to Oxford Circus will reduce the dominance of motor traffic in the area. In combination with more space for pedestrians this will slightly enhance the public realm and local character. As such it is anticipated that the scheme will have a neutral impact on townscape.

8.3.6 Historical Environment

The man-made historic environment, or heritage assets, is defined in TAG as:

- Buildings of architectural or historic significance;

- Historic areas or landscapes, such as parks, gardens and public spaces; and
- Historic sites, such as monuments and locations of historical importance.

While Oxford Street includes several listed buildings (including Selfridges), 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. Overall, it is anticipated that both projects will have a slight beneficial impact on historic environment.

8.3.7 Biodiversity

Both projects fall within the existing highway land. The public realm improvements at Oxford Street project will include elements of green and blue infrastructure which will have a slight positive impact. This includes an increase in greening, where possible, with species selected to increase biodiversity gain and extended periods of colour and interest. Greening seeks to support the creation of green corridors to support a biodiverse ecological connection between green spaces. The species selected will introduce a rich, colourful and diverse vegetation which will attract pollinators and birds, in response to the visitor perception survey which indicated a strong desire for a more environmentally sustainable and climate friendly street. This is in support of the Wild West End initiative which seeks to encourage wildlife back into central London by supporting ecological links between green spaces.

In order to maximise the biodiversity net gain opportunities afforded and enabled by the scheme, more detailed consideration will be given to this through the detailed design of the scheme, involving key partners such as Wild West End in the detailed design where appropriate.

This will also improve the wellbeing of residents, workers and visitors. As such it is anticipated that the scheme will have a slight beneficial impact on biodiversity.

For Oxford Circus, the project scope is more limited in space. The exact location of additional trees and planting are still to be confirmed but are unlikely to be extensive around Oxford Circus due to the shallow underground and concentration of utilities. As such it is anticipated that the project will have a neutral impact on biodiversity.

8.3.8 Water Environment

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 maintenance, which includes watering, is a key consideration which will be addressed throughout the design process and in the management plan for the project. The proposals for Oxford Circus will also seek to improve the current drainage system where possible.

8.4 Society

8.4.1 Commuting and Other Users

The public realm improvements are likely to improve journey quality for pedestrian trips but have minimal improvements on journey times. Due to the nature of the area attracting commuters but mostly leisure users ('other users') the impacts

disproportionately impact this user group. For Oxford Street the project is expected to improve journey quality for pedestrian trips but have minimal improvements on journey times. Overall, the anticipated impact on commute and other users has been assessed as neutral.

However, at Oxford Circus the project is expected to improve journey quality for pedestrian trips and also have improvements on pedestrian journey times by reducing wait times at the crossings (this has been monetised see section 4). For commuting and other trips utilising motorised modes users might experience slight journey time benefits due to the junction redesign addressing the traffic bottleneck. As such the anticipated impact that the project will have a moderate beneficial impact on commuting and other users.

8.4.2 Reliability impact on Commuting and Other Users

As above, at Oxford Street pedestrian commute and other trips might experience slight improvements in journey time reliability due to increased space for pedestrians and other pedestrian prioritisation measures. Therefore, the anticipated impact has been assessed as neutral.

For Oxford Circus, due to the proposed junction redesign this 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). Therefore, the anticipated impact has been assessed as slight beneficial.

8.4.3 Physical Activity

For Oxford Street, this impact has not been quantified as the scheme is only indirectly generating additional active travel, therefore, additional 'movement' of people may actually be displaced as visitors may choose Oxford Street over another shopping destination. Furthermore, any physical activity benefits typically arise from mode shift and due to the city centre location, it is unlikely pedestrians would switch from motorised modes. However, it is anticipated that the public realm improvements may encourage pedestrians to walk further distances due to improved comfort and security. As such the anticipated impact is slight beneficial.

For Oxford Circus, the junction redesign will have limited impact on physical activity. Therefore, the anticipated impact has been assessed as neutral.

8.4.4 Security

Along Oxford Street the project will have significant impact on security through proposed improvement of the public realm including positive landscaping; increased lighting and visibility; and further hostile vehicle mitigation measures being installed. Overall, the impact of the scheme on security has been assessed as moderately beneficial.

For Oxford Circus, the project will have significant impact on security through the installation of hostile vehicle mitigation measures to address Oxford Circus being identified as a high/very high terrorist risk.

8.4.5 Access to services

As defined in TAG, accessibility can relate to physical access onto public transport, the ability to get to a destination and the accessibility of transport service information. The

level of access depends on where people live, where services are located and the availability and affordability of transport.

For the scheme there are no fundamental changes proposed to bus routes or vehicle access restrictions. Therefore, the accessibility of Oxford Street should remain unchanged and the anticipated impact on access to services has been assessed as neutral.

8.4.6 Affordability

There no fundamental changes expected for affordability and the anticipated impact has been assessed as neutral.

8.4.7 Severance

TAG defines severance as follows:

> *"The separation of residents from facilities and services they use within their community caused by substantial changes in transport infrastructure or by changes in traffic flows. Severance will only be an issue where either vehicle flows are significant enough to significantly impede pedestrian movement or where infrastructure presents a physical barrier to movement."*

TAG also states that severance primarily concerns those using non-motorised modes, particularly pedestrians.

For Oxford Street, the project will improve the pedestrian environment including wider pedestrian crossings, longer green times at pedestrian crossings, more frequent formal crossing points. This will reduce the effective width of the carriageway and the dominance of motorised vehicles in the area also helping to reduce the conflict between non-motorised users (including pedestrians and cyclists) and motorised users. Overall, it is anticipated that the scheme will have a slight beneficial impact on severance.

For Oxford Circus, the project will improve the pedestrian environment by widening the pedestrian crossing, reducing the crossing width and reducing the wait time for pedestrians. This will reduce the effective width of the carriageway and the dominance of motorised vehicles in the area also helping to reduce the conflict between non-motorised users and motorised users. Overall, it is anticipated that the scheme will have a slight beneficial impact on severance.

8.4.8 Options and Non-use Values

Option and non-use values relate to the value that people put on a transport service even though they do not use that service and relates to very irregular and infrequent use. The scheme does not offer any increase in transport services and therefore the assessment against option values has been assessed to be neutral.

ID	Risk Category	Risk	Risk Owner	Probability	Impact	Total Risk Value	Proximity	Risk Response	Risk Response/Mitigation	Status	Probability	Impact	Total Risk Value
PROCUREMENT RISKS													
A-001	Financial / Budgeting	Specialist material item availability and lead times	WCC/ Contractor	Medium	Medium	Medium	Med term	Reduce	1. Consider material lead times and detail of material selection earlier in the design process (i.e. Stage 2 instead of Stage 3) 2. Lock in material order early in the design process	Open	Low	Low	Low
FINANCE AND BUDGETING													
B-001	Financial / Budgeting	£150m was allocated from the WCC capital fund in 2019 of which circa £36m has been spent.A Fairer Westminster approach requires the re-prioritisation of investment across the borough and leveraging external funding to progress/deliver projects. Without third party funding, the programme cannot be delivered in full.	WCC	Medium	High	High	Med term	Reduce	1. WCC has been meeting regularly with NWEC and businesses in advance of funding agreements being defined and agreed. This engagement has proactively respond to queries. The Council has received strong assurance that NWEC will be able to raise the necessary funds.	Open	Medium	Medium	Medium
B-002	Utilities (water, electricity, gas, BT, comms)	Costs for protection and diversion of existing services will not be known until the designs are progressed and the relevant utility quotations are obtained. The budget held for these works will be carefully monitored.	WCC	Medium	High	High	Med term	Reduce	1. Engagement with utility companies through the C2, C3, C4 processes (in accordance with the WCC Design Stages). Comprehensive buried services surveys are allowed for as part of the design programme.	Open	Medium	Medium	Medium
B-003	Contract	Annual indexation increases	WCC	High	Medium	Medium	Short term	Accept	1. Proactive allowance for indexation increases in the project cost estimates	Open	High	Low	Medium
B-004	Contract	Material storage costs need to be budgeted for at a programme wide level as it is over and above physical works	WCC	Medium	Medium	Medium	Med term	Reduce	1. Order materials efficiently to minimise storage costs 2. Storage costs were renegotiated with MCJV 3. Storage costs are accounted for in programme budget estimates	Open	Low	Low	Low
B-005	Financial / Budgeting	Material costs are subject to fluctuation given inflationary rises and sourcing issues which will impact on overall project and programme cost	WCC/ Contractor	High	Medium	High	Med term	Reduce	1. Monitor material costs through the design process and determine impact on scheme cost. This may trigger the requirement for descoping/value engineering. 2. Include an appropriate allowance for inflationary increases within any cost estimates	Open	High	Medium	High
EXTERNAL COMMUNICATIONS / STAKEHOLDERS RISKS													
C-001	External approval	Potential delays resulting of lack of coordination with relevant TfL teams including London Buses and Taxis and delay in their response on various aspects of project design and delivery, e.g. signal design.	WCC	Medium	High	High	Short term	Reduce	1. Head of Programme / Project Director undertaking engagement with these stakeholders and responding to ad hoc enquiries 2. Regular meetings with TfL 3. Seek of an SRO at these organisations	Open	Medium	Medium	Medium
C-002	External approval	Lack of support from neighbouring boroughs	WCC	Low	Medium	Low	Med term	Reduce	1. Project team proactively liaising with neighouring boroughs regarding the OS programme and schemes	Open	Low	Medium	Low
C-003	External approval	Lack of support for proposed changes due to transport and other potential impacts (e.g. concerns of impact on residential amenity)	WCC	Medium	High	High	Short term	Reduce	1. Early engagement with all stakeholders regarding the proposals 2. Alternative options considered where necessary	Open	Medium	Medium	Medium
C-004	Communications / Stakeholders	TMO consultation and objection causing delay to projects	WCC	Medium	Medium	Medium	Short term	Reduce	1. TMO consultation strategy includes pre-engagement with relevant stakeholders to ensure they are clear on the proposals and their impact in advance of the TMO consultation going live. Proactive resolution of issues required.	Open	Medium	Medium	Low
C-005	Governance / Internal approval	Delays to the programme due to the internal approval process	WCC	Medium	Medium	Medium	Short term	Reduce	1. Key internal approval process highlighted in project programme 2. Decision makers meet on a regular and proactive basis 3. Political support in place to ensure the approval process is quick 4. Ensuring improved governace arrangements are followed	Open	Medium	Medium	Medium
DESIGN AND SCOPE													
D-001	Design	Street trading kiosk locations may conflict with proposed design	WCC	High	High	High	Short term	Reduce	1. Comprehensive kiosk mapping exercise being conducted 2. Work with Licensing and WESTA on to explore options	Open	High	Medium	High
D-002	Design	Potential challenge to the success of the project(s) if traffic approach is not well received locally	WCC	Medium	Medium	Medium	Short term	Reduce	1. Traffic restrictions are being considered along Oxford Street to moderate flow 2. Proactive liaison with residents and businesses to address any concerns and impact in advance of design finalisation	Open	High	Medium	High
D-003	Scope	Delay to design duration impacting on meeting construction start and completion dates	WCC	Medium	High	High	Short term	Reduce	1. Careful management of design process and interfaces with TfL and other organisations 2. Ensure that there is appropriate and sufficient design resource	Open	Medium	Medium	Medium
D-004	Scope	OS team staff recruitment constraints	WCC	Medium	Medium	Medium	Med term	Reduce	1. New staff structure has been approved and recruitment is onoing 2. Working with HR to consider alternative recruitment approaches	Open	Medium	Low	Low
D-006	Design	Signal design - TfL capacity to deliver necessary signal design and works as per project milestones	WCC	Medium	High	High	Med term	Reduce	1. Dedicated TfL project sponsor has been confirmed to facilitate	Open	Medium	Medium	Medium
D-007	Utilities (water, electricity, gas, BT, comms)	Utilities - Utility companies may wish to upgrade existing infrastructure or provide new ducting for future requirements. This may result in delays to project works.	WCC / Contractor	Medium	Medium	Medium	Long term	Reduce	1. Encouraging advanced utility works - coordination with cyclical closures	Open	Medium	Medium	Medium
D-008	Utilities (water, electricity, gas, BT, comms)	Future Proofing - Consideration of future proofing may be beneficial to provide infrastructure for new services which are not foreseen at this time.	WCC / Contractor	Low	Medium	Low	Long term	Reduce	1. Coordination with utility companies during the design process to preemptively undestand requirements and programme	Open	Low	Medium	Low
D-009	Design	Security - Consideration of pedestrian safety through the design process	WCC	Medium	Medium	Medium	Med term	Accept	1. Trial holes/GPR required to determine the feasibility of in-ground 2. A dedicated design strand will focus on security measures	Open	Medium	Medium	Medium
D-010	Design	Trees and other planting - There is an ambition to plant additional trees/greening on Oxford Street and other project areas however buried services may present an obstacle to in ground planting	WCC	High	Medium	Medium	Med term	Reduce	1. Trial holes/GPR required to determine the feasibility of in-ground planting 2. Diversion of utilities to be considered on a case by case basis	Open	Medium	Medium	Medium
CONSTRUCTION RISKS													

ID	Risk Category	Risk	Risk Owner	Probability	Impact	Total Risk Value	Proximity	Risk Response	Risk Response/Mitigation	Status	Probability	Impact	Total Risk Value
E-001	Utilities (water, electricity, gas, BT, comms)	Uncharted services not identified through C2 enquiries may impact on the ability to achieve the design without diversion, lowering or protection in agreement with the relevant authority resulting in potential delay and additional cost	Contractor	Medium	Medium	Medium	Med term	Accept	1. C2 enquiries will need to be undertaken and followed up with design in short succession	Open	Medium	Medium	Medium
E-002	Utilities (water, electricity, gas, BT, comms)	Shallow services are regularly encountered throughout Westminster and Central London. These may impact on installing gullies and foundations to lighting columns, greening, posts, gullies, bollards requiring redesign or further utility works	Contractor	Medium	High	High	Long term	Reduce	1. Coordination of design development with utility companies. Contractor to coordinate for the stages they are commissioned to deliver for each project.	Open	Medium	Medium	Medium
E-003	Utilities (water, electricity, gas, BT, comms)	Existing services are found to be damaged during the works - requiring protection, reconstruction or other works	Contractor	Medium	Medium	Medium	Long term	Accept	No mitigating action	Open	Medium	Medium	Medium
E-004	Basements	Basements extend below footway to an extent which requires additional care in excavation methodology	Contractor	Medium	Medium	Medium	Long term	Accept	1. Visual survey to be undertaken at Feasibility Stage 2. Detailed surveys to be undertaken in advance of construction in accordance with the WCC Stage Deliverables	Open	Medium	Low	Low
E-005	Basements	Property owners do not repair basements in advance of works impacting on ability to commence in those locations	WCC	Low	Medium	Low	Long term	Reduce	1. Surveys to be undertaken - early engagement with property owners	Open	Low	Medium	Low
E-006	Basements	WCC unable to ascertain ownership of basements in order to inspect and require repair works	WCC	Low	Medium	Low	Long term	Reduce	1. Surveys to be undertaken - early engagement with property owners	Open	Low	Medium	Low
E-007	Drainage	Approval of works impacting on Thames Water infrastructure may not be provided in time	Contractor	Medium	Medium	Medium	Long term	Reduce	1. Coordination with Thames Water during the works - Contractor to be responsible for this	Transfer	Medium	Medium	Medium
E-008	Drainage	Existing drainage network requires improvements/repairs in order to use	Contractor	Medium	Medium	Medium	Long term	Reduce	1. CCTV survey to be undertaken by the Contractor	Open	Medium	Medium	Medium
E-009	Other Works	Progression of works may be impacted by applications from third parties to carry out works	WCC	Medium	Medium	Medium	Long term	Reduce	1. All works applications in the Oxford Street area to be considered by WCC or potential impact on the project	Open	Medium	Low	Low
E-010	Other Works	Works may be hindered by existing scaffolding, diversions, suspensions, closures, access requirements	WCC	Medium	High	High	Long term	Reduce	1. Close engagement with the WCC Network Management team and developers in advance of public realm works commencing	Open	Medium	Medium	Medium
E-012	Material delivery	Large quantity of specialist materials may be difficult to source within the required timescales impacting on the delivery of the works	WCC/ Contractor	Medium	Medium	Medium	Med term	Reduce	1. Identify potential materials pallette during early design stages to allow Contractor to engage with the supply chain if possible	Open	Medium	Medium	Medium
E-013	Residential and Business access	Access to business frontages will need to be maintained but may impact on the phasing, programming and efficiency of the works	WCC	High	Medium	Medium	Med term	Reduce	1. Early engagement with stakeholders to discuss specific requirements 2. Restrictions on work to be included in the contract in relation to maintaining access and coordination of the works	Open	High	Medium	High
E-014	Residential and Business access	Access will need to be maintained for deliveries potentially impacting on the phasing, programming and efficiency of the works	WCC/ Contractor	High	Low	Medium	Long term	Reduce	1. Early engagement with stakeholders to discuss specific requirements 2. Restrictions on work to be included in the contract in relation to deliveries and coordination of the works	Open	High	Low	Medium
E-015	Work restrictions	Planned events will impact on the phasing and progress of the works	WCC/ Contractor	High	Low	Medium	Long term	Reduce	1. Regular planned events to be identified in the contract 2. Other events may take place and to be managed between the Client and the Contractor	Open	High	Low	Medium
E-016	Work restrictions	Union action may result in strikes or walkouts impacting on resource and meeting of project milestones	Contractor	Low	Medium	Low	Long term	Accept	1. Contractor's risk	Transfer	Low	Medium	Low
E-017	Work restrictions	Third party developments along Oxford Street and wider area in parallel with the proposed programme works which could result in competition for road space	WCC/ Contractor	Medium	Medium	Medium	Long term	Reduce	1. Long term planning and liasing required with developers, WCC Highways and TfL to coordination of work and miminisation of traffic and access impacts during construction	Open	Medium	Medium	Medium
E-018	Work restrictions	Marches and demonstrations may arise during the works which can impact access to site	WCC	Low	Medium	Low	Long term	Accept	1. Protests mainly take place on Parliament Square - no mitigating action	Open	Low	Medium	Low
E-019	Terrorism	Terrorist attack within the area may require shut-down or impact on the works or change to security requirements	WCC/ Contractor	Medium	High	Medium	Long term	Reduce	1. Contract to incorporate emergency plan for dealing with incidents especially at the London Underground Stations 2. Close working with the MPS	Open	Medium	Medium	Medium
E-020	Inclement weather	Flooding due to excessive rainfall may impact on the works (or surrounding areas)	N/A	Medium	Medium	Medium	Long term	Accept	No mitigating action	Open	Medium	Medium	Medium
E-021	Inclement weather	Temperatures below a certain point will impact on the ability of the Contractor to pour concrete, undertake resurfacing and other aspects of the works	N/A	Medium	Medium	Medium	Long term	Accept	No mitigating action	Open	Medium	Medium	Medium
E-022	Inclement weather	Snowfall may impact on the ability to undertake works or access the site until it has cleared	N/A	Low	Medium	Low	Long term	Accept	No mitigating action	Open	Low	Medium	Low
E-023	Archaeological	Archaeological items may be found during the works which require third party input	N/A	Low	Medium	Low	Long term	Accept	No mitigating action	Open	Low	Medium	Low
E-024	Noise Restrictions	WCC may impose general noise restrictions over different locations of the works	WCC	Medium	Medium	Medium	Long term	Reduce	1. Early engagement with contractor to understand construction method and mitigation in consideration of residential amenity and impact on other uses	Open	Medium	Low	Low
E-025	Default / Administration	The main Contractor or designer may enter administration during the currency of the contract - requiring a new Contractor to be appointed	WCC/ Contractor	Low	High	Medium	Med term	Reduce	1. Financial evaluation as part of PQQ with a 're-check' at ITT	Open	Low	High	Medium
E-026	Default / Administration	(Key) suppliers may enter administration during the currency of the contract - requiring new suppliers to be sourced. Amounts may have already been paid to suppliers for materials which cannot be delivered	WCC/ Contractor	Low	Medium	Low	Med term	Reduce	1. Financial evaluation as part of PQQ with a 're-check' at ITT	Open	Low	Medium	Low
E-027	Default / Administration	Subcontractor(s) may enter administration during the currency of the contract - potentially impacting significant elements of the works	WCC/ Contractor	Low	Medium	Low	Med term	Reduce	1. Financial evaluation as part of PQQ with a 're-check' at ITT	Open	Low	Medium	Low
E-028	Supply Chain Payment	The (main) Contractor may withhold payment to its supply chain - causing dispute, not delivering to site, removal of operatives from site	WCC/ Contractor	Low	Medium	Low	Long term	Reduce	1. A Fair Payment Protocol is part of the contract	Open	Low	Medium	Low
POST COMPLETION RISKS													
F-001	Maintenance	Incomprehensive maintenance and management plan that fails to cover all aspects necessary to deliver successful schemes in the long term.	WCC	Medium	Medium	Medium	Long term	Reduce	1. Define maintenance requirements 2. Close liaison with relevant WCC teams and NWEC to define comprehensive management appproach 3. Secure third party funding for post completion maintenance and management	Open	Medium	High	Medium

City of Westminster

Cabinet Member Report

Decision Maker:	Cabinet
Date:	11 September 2023
Classification	For General Release
Title:	Greenhouse Sports Neighbourhood CIL application
Wards Affected:	Church Street
Financial Summary:	**This report seeks to allocate a total of £0.45m of funding from the Neighbourhood CIL portion to repair the roof of the Greenhouse Centre so that the charity can meet growing demand arising from the Church Street regeneration scheme and new development across the whole city.**
Report of:	Pedro Wrobel, Executive Director for Innovation & Change

1.0. Executive Summary

1.1 Greenhouse Sports has applied for £0.45m of Neighbourhood Community Infrastructure Levy (NCIL) to fund repairs to the roof.

1.2 The Greenhouse Centre at 35 Cosway Street has been closed since November 2021 due to water ingress. This funding will repair damage to the roof and stonework for the Grade 2 listed structure and allow the building to re-open for community use.

1.3 Greenhouse Sports is a well-used local charity, and the repairs to the roof will allow the Greenhouse Sports centre at 35 Cosway Street to re-open and provide a free and safe environment for children and young people to play sport, make friends, receive mentoring and work with inspirational coaches to improve their life chances through physical wellbeing. The funding will also support the charity develop its offer to meet future demand for its services that we anticipate from future the local development including the Church Street regeneration scheme.

1.1. The application meets the council's principles for community investment, and is consistent with the third party investment policy, which is being developed:

- **Supporting at least one of our Fairer Westminster outcomes**: the funding will support achieving our Fairer Communities outcome by enabling the Greenhouse Sports Centre to re-open to provide free activities and mentoring for children and young people for six days a week.
- **Demonstrating additionality**: by enabling the Greenhouse Sports Centre to re-open, the funding will enable Greenhouse Sports to expand its offer to provide free activities and mentoring for children and young people helping them develop their resilience, skills and leadership.
- **Providing value for money**: The total cost of the works is £4.5m. Greenhouse Sports has secured £0.05m of match funding from the London Marathon Trust and £0.021m from local fund raising. The remaining £3.979m will be funded by the charity's Sustainability Fund, which was established to fund the maintenance and repair of the building. Greenhouse supports has a full repairing and insuring lease from the Diocese of London until 7 April 2082, with provision to extend it for another 57 years from 8 April 2082 to 7 April 2139. Greenhouse Sports has listed building consent for the works and has appointed a contractor.

2.0. Recommendation

2.1. Cabinet approves in principle £0.45m of NCIL funding to Greenhouse Sports.

2.2. Cabinet delegates authority to the Executive Director of Innovation & Change to produce a final funding agreement in conjunction with the Director of Law and Governance that ensures value for money and safeguards the investment for community benefit.

3.0. Reasons for Decision

3.1. Allocating £0.45m to Greenhouse Sports will provide 10% match funding for the total cost of the scheme, meeting a funding shortfall. This will make sure that service delivery is not put at risk and enable Greenhouse Sports to develop and grow its offer to the local community, supporting the delivery of the council's Fairer Community strategic outcome.

3.2. These improvements to the Greenhouse Centre deliver on the priority in the council's CIL Spending Policy Statement to support community facilities, and will contribute towards creating an enhanced sports centre to meet the anticipated additional demand for local facilities that will be created by local development, in particular the nearby Church Street regeneration scheme.

3.3. This decision, and supporting grant agreement, will ensure robust and effective expenditure and reporting in line with the Planning Act (2008) and the Community Infrastructure Levy Regulations 2010 (as amended) and in accordance with the council's strategic priorities, the revised CIL Spending Policy Statement (2022), and the council's frameworks for resource allocation and management.

4.0. Background

Neighbourhood CIL

4.1. The Community Infrastructure Levy (CIL) is a charge that local authorities can impose on new development to help raise funds to deliver infrastructure that is required to support the development and growth of their area. WCC's became effective on 1 May 2016 and applies to liable developments that were granted planning permission on or after this date. CIL is payable when works to implement the development commence.

4.2. All CIL funding decisions are taken with regard to national legislation and regulations. Local policy and priorities, as set out in the Westminster CIL Spending Policy Statement (October 2022), also informs decisions.

4.3. CIL Regulations require apportionment of CIL receipts between:

- **the Strategic Portion (70-80%)** – spent by the Council according to its strategic infrastructure priorities.
- **a Neighbourhood Portion of receipts from development in each neighbourhood (15-25%)** – spent by the Council in agreement with the neighbourhood communities concerned (other than in Queen's Park, where the portion is paid to, and spent by, the Community Council); and

- **the CIL Administrative Portion (5%)** – spent by the Council on the administrative costs of CIL collection and administration.

4.4. Neighbourhood CIL is spent within the local area within which the development took place to provide local infrastructure. Neighbourhood CIL is collected and held by the council and spent by the council in consultation with the local community. The council accepts applications to provide Neighbourhood CIL to deliver projects.

As of 31 August £10.96m of Neighbourhood CIL is available to support local community projects. The total NCIL apportioned to each Neighbourhood Area is set out in Appendix 1.

4.5. Since October 2022, the council has taken a more proactive approach to spending Neighbourhood CIL to support local community projects. In October 2022, the Council adopted a revised CIL Spending Policy Statement, which sets local policy on CIL, to encourage a more flexible approach that allows CIL to be spent on more types of infrastructure and projects, including revenue (ongoing) costs. At that time, the council also changed guidance around the NCIL applications process to make clear that applications are welcome from any individual or organisation with a relevant proposal. Prior to these changes, there was almost £13m of unallocated Neighbourhood CIL funds. The application rounds since these changes have seen more and higher-value applications submitted. The council will continue to build on this success with a new website and other public outreach to increase knowledge of Neighbourhood CIL and encourage more applicants – and we expect to spend the remaining Neighbourhood CIL balances within the next two to three years.

4.6. In the most recent round of neighbourhood CIL applications, £0.348m of Neighbourhood CIL was awarded to eight local community projects. Greenhouse Sports applied for funding in the same round, but as the application is for over £0.25m, the decision is referred to Cabinet in line with the council's revised CIL Spending Policy Statement.

<u>Greenhouse Sports' Application</u>

4.7. Greenhouse Sports has applied for £0.45m to repair the roof at the Greenhouse Sports centre at 35 Cosway Street. This will fund 10% of the total cost of repairs. The remaining funding will come from match funding from the London Marathon Trust, local fundraising, and the charity's Sustainability Fund.

4.8. Greenhouse Sports is a well-used local charity, and the repairs to the roof will allow the Greenhouse Sports centre at 35 Cosway Street to re-open and provide free, fun and safe environment for children and young people to play sports, make friends, receive mentoring and work with inspirational coaches to improve their life chances through physical wellbeing.

4.9. More broadly, there is a growing need for such social infrastructure provision across Westminster. The cost of living crisis has driven an increased need for free activities such as those provided by Greenhouse Sports

4.10. The application meets the council's principles for community investment:

Supports at least one of our Fairer Westminster outcomes

The funding will support achieving our Fairer Communities outcome by enabling the Greenhouse Sports Centre to re-open to provide free activities and mentoring for children and young people for six days a week.

Demonstrating additionality

Repair to the roof will enable the Greenhouse Centre to reopen and commence a six day per week operation, running a range of physical activities during the day for the local community. This will include;

- Adult sporting sessions and wellbeing sessions
- Providing a range of life skill, employability and enrichment sessions for local young people in partnership with our range of corporate partners.
- Through evenings and weekends a full programme of activity and a safe space for children and their families, including after school clubs with development pathways for young people to continue to build their skills.
- Host competitions for children from the local community that will bring together people from all over the country.

Crucially, the council's investment will enable Greenhouse Sports to develop its offer of free and low cost activities for the local community: Additional delivery projects;

- The changes to the building that are being completed alongside the roof repair work (a new toilet and kitchen) will enable Greenhouse to mix the session types so that adults and young people have the chance to learn together and have huge impact on its delivery method so that young people have more positive adult role models.
- Greenhouse will be looking at how it can address food security and nutrition with a systematic approach through partnerships with other key local stakeholders including the Felix Project and North Paddington Food Bank. The new kitchenette facility also gives it the opportunity to explore a social enterprise model.
- Greenhouse Sports has just been made the home of Table Tennis New Pathways Programme England (the national governing body of table tennis), and this will mean direct opportunities for our young people to train and join the national team.
- Greenhouse Sports is intending to add an additional sport to the Centre portfolio which will attract more people from the local community.

Provides value for money

The total cost of the works is £4.5m. Greenhouse Sports has secured £0.05m of match funding from the London Marathon Trust and £0.021m

from local fund raising. The remaining £3.979m (88% of the total costs) will be funded by the charity's Sustainability Fund, which was established to fund the maintenance and repair of the building.

Greenhouse Sports has listed building consent for the works and has appointed a contractor.

The freehold of the building is owned by The London Diocesan Fund (Diocese of London). The current lease runs until 7 April 2082. There is a clause in the lease agreement which allows the charity to extend the lease for another 57 years from 8 April 2082 to 7 April 2139. It is currently the Trustees' intention to extend the lease. As part if the grant agreement the council will seek a title restriction at the Land Registry against disposals of the property with Council consent and/or take a legal charge of interest in the property to the value of the funding in order to safeguard the investment for the community's long term benefit.

4.11. There is local support for the scheme. The Church Street Neighbourhood Forum supports the use of Neighbourhood CIL to fund the repairs. Local ward councillors were consulted. Endorsements of the application were received from local charities The Marylebone Project and Food Cycle Marylebone.

5.0. Financial Implications

5.1. Following the Cabinet Member decision on 30 August to allocate £348,049 of Neighbourhood CIL allocations to eight local community projects, the current Neighbourhood CIL balance is £10.916m.

5.2. 50% of the funding (£0.225m) will be drawn from the Neighbourhood CIL apportioned to the Church Street Neighbourhood Forum (currently £0.522m is available for allocation) and 50% (£0.225m) from the outside neighbourhood area (current £1.15m is available for allocation). This is to ensure Church Street has sufficient funds to progress planned projects, as well as recognising the city-wide benefit provided by Greenhouse Sports. Supporting projects funded by two or more neighbourhood area is actively encouraged under the council's CIL policy.

5.3. Since the changes to the CIL policy in October 2022 we are seeing an increase in applications for NCIL funding for local community projects and we expect the remaining surplus to be fully allocated

6.0. Legal Implications

6.1. The legislation governing the development, adoption, and administration of a Community Infrastructure Levy (CIL) is contained within the Planning Act (2008) and the Community Infrastructure Levy Regulations 2010 (as amended). The associated government National Planning Policy Guidance is also important in guiding this process. There are other areas of law which should be considered when assessing certain developments for CIL liability

and determining the appropriate sum due. These include matters relating to social housing, procurement, charitable institutions, and state aid.

6.2. Legal Services (ref: Isaac Carter) has reviewed this report, and the proposed Project Allocations, and is satisfied that the measures proposed comply with the relevant legislation and guidance set out in paragraph 6.1 above.

7.0. Consultation

7.1. Local policy requires local ward councillors, neighbourhood forums, and business improvement districts, where they exist, be given the opportunity to comment on all proposals within their area. All applications in this report have been subject to Ward Member and community engagement. Any concerns raised during consultation is reflected in this report.

8.0. Equalities

8.1. Under the Equalities Act 2010 the council has a “public sector equality duty”. This means that in taking decisions and carrying out its functions it must have due regard to the need to eliminate discrimination, harassment, victimisation and any other conduct prohibited by the 2010 Act; to advance equality of opportunity between persons who share a relevant protected characteristic (age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation) and those who do not share it; and to foster good relations between persons who share a relevant protected characteristic and those who do not share it.

8.2. The council is also required to have due regard to the need to take steps to take account of disabled persons’ disabilities even where that involves more favourable treatment; to promote more positive attitudes toward disabled persons; and to encourage participation by disabled persons in public life.

8.3. The 2010 Act states that “having due regard” to the need to promote equality of opportunity involves in particular having regard to: the need to remove or minimise disadvantages suffered by persons sharing a protected characteristic; take steps to meet the needs of persons sharing a protected characteristic that are connected with it; take steps to meet the needs of persons who share a protected characteristic that are different from those who do not; and encourage persons with a protected characteristic to participate in public life or any other activity in which participation by such persons is disproportionately low.

8.4. The courts have held that “due regard” in this context requires an analysis of the issue under consideration with the specific requirements set out above in mind. It does not require that considerations raised in the analysis should be decisive; it is for the decision-maker to decide what weight should be given to the equality’s implications of the decision.

8.5. All decisions on spending CIL will themselves be subject to assessment to ensure the 2010 Act duties are complied with. Equality Impact Assessment Screenings are undertaken for every Neighbourhood CIL application. The council will review its CIL charging schedule on a biennial basis.

If you have any queries about this Report or wish to inspect any of the Background Papers, please contact:

Alex Csicsek, Principal Policy Officer

E-mail: ACsicsek@westminster.gov.uk

APPENDICES

- Appendix 1: Neighbourhood CIL balances

BACKGROUND PAPERS

- Report to Cabinet dated 17 October 2022 on Priorities for the Community Infrastructure Levy (CIL) and update to the CIL Spending Policy Statement and governance arrangements.
- Westminster CIL Spending Policy Statement.
- Equalities Impact Assessment Screening document

Appendix 1: Neighbourhood CIL balances

Neighbourhood Area	Collected	Allocated	Spent	Available
Notting Hill East	22,162.11	10,000.00		12,162.11
Bayswater	595,992.93	0.00	49,472.00	546,520.93
Little Venice and Maida Vale	1,601,740.22	14,309.48	15,690.52	1,571,740.22
Belgravia	716,815.56	284,139.35	29,000.00	403,676.21
Church Street	608,025.79	123,885.90		484,139.89
Churchill Gardens Estate	0.00			0.00
Ebury Bridge	169,463.01			169,463.01
Fitzrovia West	634,954.55	196,895.56		438,058.99
Hyde Park and Paddington	1,289,635.38	215,172.55	289,827.45	784,635.38
Knightsbridge	360,294.38	0.00	20,000.00	340,294.38
Maida Hill	34,202.06			34,202.06
Marylebone	2,606,772.26	226,329.80	325,125.00	2,055,317.46
Mayfair	2,538,523.31	599,668.98	129,334.02	1,809,520.31
Pimlico	165,625.48			165,625.48
Soho	581,445.31	61,288.75	25,011.25	495,145.31
South East Bayswater	847,738.02	0.00	120,000.00	727,738.02
St James's	77,001.44			77,001.44
St John's Wood	1,728,038.10	892,154.41	519,623.59	316,260.10
Victoria	806,816.03	81,000.00		725,816.03
Westbourne	285,210.26	108,000.00		177,210.26
Outside Neighbourhood areas	2,321,888.07	987,220.26	202,623.74	1,132,044.07
TOTAL	**17,992,344.26**	**3,129,823.30**	**2,214,569.68**	**10,916,260.91**

Indicative balances as of 31 August 2023 (balances are indicative and liable to change to reflect income and expenditure).

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City of Westminster

Cabinet Report

Meeting or Decision Maker:	Cabinet
Date:	11 September 2023
Classification:	General Release
Title:	Recommendations of the Westminster Citizens' Climate Assembly
Wards Affected:	All
Policy Context:	Climate Emergency
Key Decision:	Non key
Financial Summary:	There are no direct financial implications arising from this report. The recommendations in Appendix A will be subject to the standard financial planning and budget setting process.
Report of:	Frances Martin, Executive Director Environment, Climate & Public Protection

1. Executive Summary

1.1. Westminster City Council has set an ambitious target to be a net zero council by 2030 and a net zero city by 2040. To facilitate resident participation and input into achieving this, in June 2023, the Council launched its first ever Citizens' Climate Assembly ('the Assembly'). The Assembly explored the questions: 'How can we overcome the main barriers to Westminster becoming a net zero city by 2040 together? How do we ensure this is delivered in the fairest way?'

1.2. The Assembly comprised a group of 47 demographically representative residents from across Westminster. The Assembly met over two weekends to consider these questions and make recommendations on key areas of activity to help support and strengthen the Council's climate action response.

1.1 This report sets out the recommendations produced by the Assembly.

1.2 All Assembly recommendations will be considered and acted on wherever possible, whether directly, in partnership with wider stakeholders, or through external engagement and lobbying where actions sit outside of the council's direct control. The council will consult on further action relating to the implementation of recommendations, as appropriate. Where required, further financial and legal consideration will have to be undertaken before implementation.

1.3. For full details on the Assembly findings, please see the list of recommendations set out in Appendix 1 of this report and the Westminster Citizens' Climate Assembly Report published in August 2023 and listed in the background papers to this report.

2. Recommendations

2.1 It is recommended that Cabinet:

a) Notes the final recommendations from the Westminster Citizens' Climate Assembly, as set out under Appendix 1 of this report.

b) Approves the initiation of a programme of cross-council work, led by individual Cabinet Members, to develop responses to each recommendation of the Climate Assembly, identifying what action is possible or where the Council may need to influence stakeholders to take them forward.

c) To agree that all recommendations brought forward for implementation will be subject to further financial and legal consideration and, where necessary, individual Cabinet or Cabinet Member decisions will need be undertaken.

3. Reasons for the Decision

3.1 The Westminster Citizens' Climate Assembly was commissioned as part of the Council's efforts to address climate change, strengthen the citywide

response to the climate crisis and improve representation of residents' views on how to tackle the climate emergency. The Assembly has now delivered its final recommendations, please see Appendix 1 of this report.

3.2 The Council has committed to working together with Westminster residents to respond to the climate emergency. The Assembly forms part of this process. The Council will continue to work in partnership with Assembly participants to review progress in addressing the outputs of the Assembly and collectively develop further work to help tackle the climate emergency in Westminster.

3.3 All Assembly recommendations will be considered and assessed individually with a view to determining a response. This will have due regard to the council's ability to deliver on recommendations directly, in partnership with wider stakeholders, or via external engagement (where actions sit outside of the council's direct control). Where required, further financial and legal consideration will have to be undertaken before implementation.

4. Background, including Policy Context

4.1 Westminster City Council declared a climate emergency in 2019, setting out its ambitions to be a net zero carbon council by 2030, and to work with partners and communities to become a net zero city by 2040. These targets remain a key ambition under the Council's Fairer Westminster Delivery Plan.

4.2 The City of Westminster has some of the highest carbon emissions by local authority area across the UK. Achieving the target of net zero emissions by 2040 will require ambition action across all parts of the city.

4.3 The Assembly was commissioned as part of the Council's work to address climate change, strengthen its climate action response by improving the representation of residents' views on how to tackle the climate emergency and facilitate resident participation and input into achieving our net zero targets. Running a citizens' assembly on climate change is a key deliverable set out in the Council's Fairer Westminster Delivery Plan.

The Assembly Process

4.4 A citizens' assembly is a deliberative democratic process that brings together a randomly selected, diverse, and representative group of people to explore a given topic and then make recommendations about what should happen and how things should change.

4.5 The design and facilitation of the Westminster Citizens' Climate Assembly was supported by Involve, a public participation charity specialising in deliberative processes that help involve citizens in decisions that affect their lives. The selection of Assembly participants was led by the Sortition Foundation, a non-for-profit organisation that specialises in recruiting and selecting people by lottery to take part in Assembly events, ensuring they are broadly representative of the wider population.

4.6 An independent advisory group, comprising council representatives and external experts, was established to oversee the design and implementation of the Assembly. Their role was to provide advice and guidance to ensure the assembly plan, evidence and materials were accurate, balanced, and unbiased.

4.7 The Assembly also brought together subject matter experts from a wide range of academic, private, and voluntary sector organisations to help participants explore some of the biggest barriers and opportunities for local climate action, to share their professional and/or lived experience, and to act as a sounding board for participants as they formulated the Assembly recommendations.

Westminster Citizens' Climate Assembly

4.8 Westminster's Citizens' Climate Assembly brought together a diverse group of 47 residents from across Westminster over two weekends and three online micro group sessions to consider the questions: *'How can we overcome the main barriers to Westminster becoming a net zero city by 2040 together? How do we ensure this is delivered in the fairest way?*' and make recommendations on key areas of activity to help support and strengthen the Council's climate action response.

4.9 Over four days, the Assembly in-person sessions covered:

- Day 1: Set out what the assembly was trying to achieve and provided Assembly participants a better understanding of the climate emergency and the common barriers to delivering local climate action.
- Day 2: Focused on climate justice, and how to tackle the climate emergency fairly and equitably. Members created a vision statement and a set of guiding principles.
- Day 3: Invited participants to develop ideas for recommendations and test these with a range of external experts.
- Day 4: Helped participants refine and finalise their recommendations before presenting their final agreed recommendations from the assembly to a panel of councillors and council officers.

4.10 The Assembly micro groups provided a chance for small group discussions that supported people to ask questions, raise issues, make new connections and for relationships to grow between Assembly participants.

Summary of Recommendations

4.11 The final recommendations of the Assembly were agreed upon by participant vote on the final day of the Assembly. The outcome was:

- Eight majority recommendations: those recommendations achieving a minimum of 80% support among Assembly participants
- Five minority recommendations: those achieving less than 80% support but more than 40% support of participants

4.12 Any draft recommendations that failed to receive the support of more than 40% of the participants were not included in the list of final recommendations.

4.13 A summary of the Assembly recommendations, and the level of support each recommendation gained, is set out in Appendix 1 of this report.

4.14 The Council is continuing to liaise with Assembly participants, via Involve, to clarify some aspects of the recommendations and ensure the Council's interpretation is consistent with the intended ask of the Assembly. This is part of an on-going process of working together with Assembly participants to explore progress on the recommendations and formulate wider activity to respond to the climate emergency.

Post-Assembly Process

4.15 A delegation of Assembly participants will present the Assembly recommendations and the final report (delivered in August 2023 by Involve) to the Leader of the Council and his Cabinet Members at the Climate Leadership Group meeting on 7 September.

4.16 All Assembly recommendations will be considered and assessed individually with a view to determining a response. This will have due regard to the council's ability to deliver on recommendations directly, in partnership with wider stakeholders, or via external engagement (where actions sit outside of the council's direct control). Further financial and legal consideration may have to be completed and individual Cabinet or Cabinet Member decisions will need be undertaken to support a further response and/or implementation.

4.17 A celebration event will be hosted by the Council on 28 September as an expression of thanks for all of those involved in the delivery of the Assembly.

4.18 The Council will continue to work together with Assembly participants to review progress in addressing the outputs of the Assembly and collectively develop further work to help tackle the climate emergency in Westminster.

5. Financial Implications

5.1 There are no direct financial implications arising from the recommendations in this report. Agreed recommendations aligned with existing workstreams within the climate programme will be delivered from the climate emergency programme's agreed budget. Recommendations that are agreed but sit outside the scope of existing work streams or programmes will be subject to further financial review and scrutiny and, if pursued, taken through the formal budget setting and approval process.

6. Legal Implications

6.1 Pursuant to Chapter 3, Item 15 of the City Council's constitution entitled 'Terms of Reference – Delegations to All Cabinet Members', the Cabinet Member for Climate Action, Regeneration and Renters has the authority "*to*

set policy and strategic direction for the City Council's response to the Climate Emergency and the Council's role and response to cross-cutting sustainability issues, such as reducing carbon emissions, improving resource efficiency and developing sustainable energy".

6.2 Appendix 1 contains the Assembly's findings, including the list of recommendations the Cabinet Member is asked to note.

6.3 Legal Services and other corporate services will be engaged at an early stage, as appropriate, as recommendations are taken forward. Where necessary decisions will be taken to Cabinet or individual Cabinet Members and follow the agreed governance process that all decisions are subject to.

7. Carbon Impact

7.1 The Assembly was commissioned as part of the Council's efforts to address climate change and strengthen the citywide response to the climate crisis. The recommendations will inform the update of the Council's Climate Emergency Action Plan to help drive emissions savings across the city in line with the Council's net zero 2040 target.

7.2 The specific carbon implications (savings) to be derived from the Assembly recommendations addressed in this report are still to be determined. Individual carbon assessments will be carried out on a case-by-case basis as recommendations are implemented through new or existing programmes of work.

8. Equalities Implications

8.1 Invitation letters were sent to 10,000 households across Westminster to select 50 Westminster residents via random stratified sampling to broadly represent the demographics of the borough. The demographics of the participant onboarded to the Assembly are included in Appendix 2.

8.2 Given the Assembly's focus on fairness, we worked with Sortition Foundation to slightly oversampled minority groups including people with disabilities, young people, those who live in the north of the borough and those who have indicated that they are struggling financially.

8.3 Consideration will be given to the requirement to undertake consultation and Equality Impact Assessments (EQIAs) to ensure the Council considers its Public Sector Equality Duty on an ongoing basis for any response/implementation of recommendations.

9. Consultation

9.1 By nature, a citizens' assembly is a deliberative democratic process that brings together a randomly selected, diverse, and representative group of people to collectively explore and make recommendations on local issues. The Westminster Assembly brought together 47 residents from across the city to consider how Westminster should better respond to the climate crisis.

9.2 Resident and Member consultation will be undertaken through the adoption of new and existing programmes of work arising from the implementation of the Assembly recommendations, in line with current organisational practices.

If you have any queries about this Report or wish to inspect any of the Background Papers, please contact:

Damian Hemmings, Head of Climate Emergency
dhemmings@westminster.gov.uk

APPENDICES

- Appendix 1: Final Recommendations of the Citizens' Climate Assembly
- Appendix 2: Demographic Data of the Assembly

BACKGROUND PAPERS

- Westminster Citizens' Climate Assembly: Recommendations Report (August 2023)
- Westminster Citizens' Climate Assembly: Recommendations Executive Summary (August 2023)

NB: For individual Cabinet Member reports only

For completion by the **Cabinet Member for Climate Action, Regeneration and Renters**

Declaration of Interest

I have <no interest to declare / to declare an interest> in respect of this report

Signed: _____ Date: _____

NAME: **Councillor Matt Noble**

State nature of interest if any:

(*N.B: If you have an interest, you should seek advice as to whether it is appropriate to make a decision in relation to this matter*)

For the reasons set out above, I agree the recommendation(s) in the report entitled **Final Recommendations of the Westminster Citizens' Climate Assembly** and reject any alternative options which are referred to but not recommended.

Signed: _____

Cabinet Member for Climate Action, Regeneration and Renters

Date: _____

If you have any additional comment which you would want actioned in connection with your decision you should discuss this with the report author and then set out your comment below before the report and this pro-forma is returned to the Secretariat for processing.

Additional comment:

If you do not wish to approve the recommendations, or wish to make an alternative decision, it is important that you consult the report author, the Director of Law, City Treasurer and, if there are resources implications, the Director of People Services (or their representatives) so that (1) you can be made aware of any further relevant considerations that you should take into account before making the decision and (2) your reasons for the decision can be properly identified and recorded, as required by law.

Note to Cabinet Member: Your decision will now be published and copied to the Members of the relevant Policy & Scrutiny Committee. If the decision falls within the criteria for call-in, it will not be implemented until five working days have elapsed from publication to allow the Policy and Scrutiny Committee to decide whether it wishes to call the matter in.

Appendix 1: Final Recommendations of the Citizens' Climate Assembly

Majority recommendations

Recommendations that achieved at least 80% support from participants in the Assembly vote.

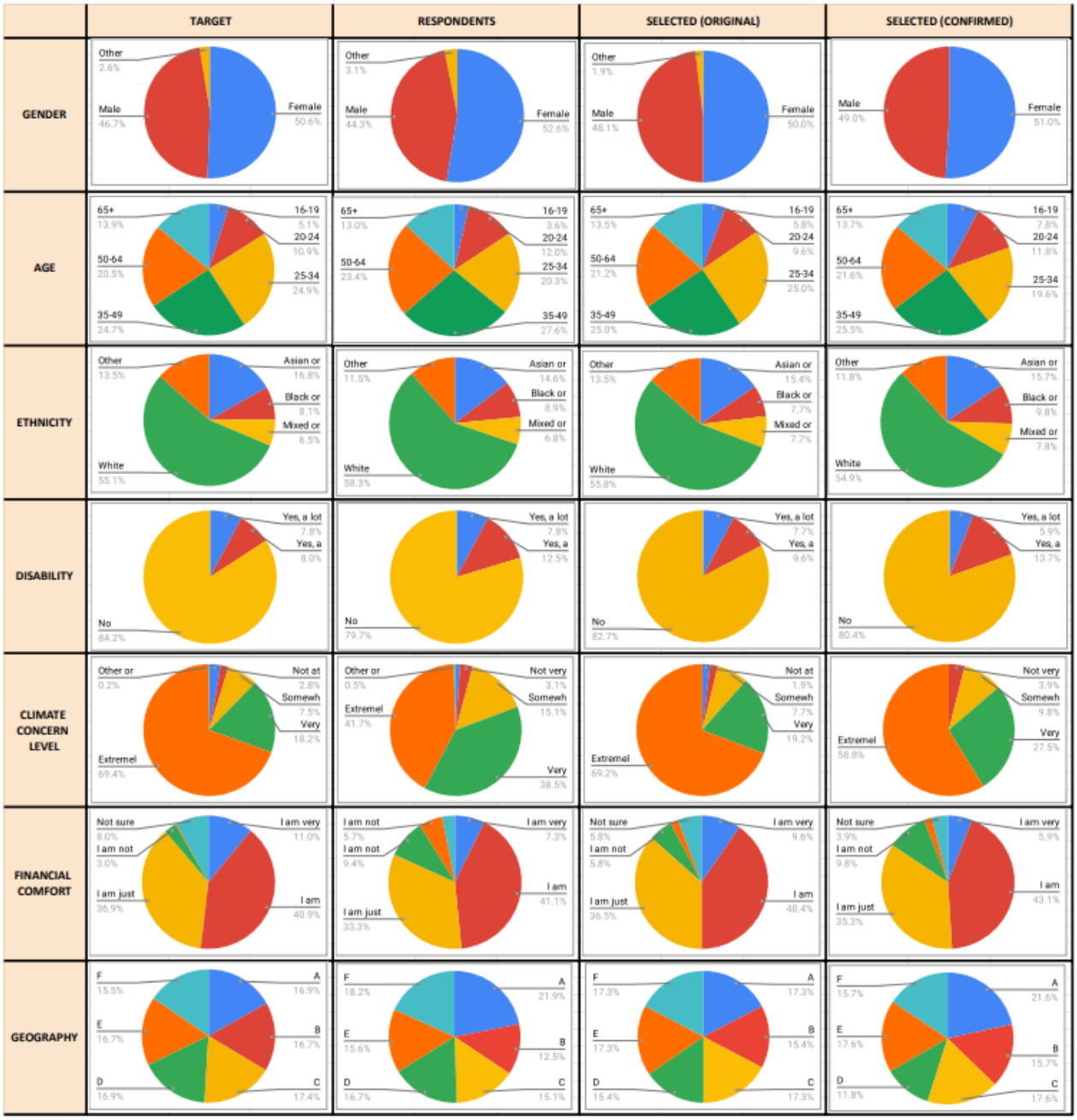
No.	Recommendation	Level of Support
Majority Recommendation:		
1	To fund and support greening initiatives and projects. Both in terms of increasing biodiversity and developing green infrastructure and technologies.	91%
2	Building and introducing renewable energy technology on new and existing infrastructure, while also supporting current initiatives.	89%
3	Energy efficiency rating on any organisation, whether for profit or not, which owns, manages, or occupies one or more non-residential buildings in Westminster. Provide incentives and assistance and improvement for/and/or hitting targets. Publish this data for transparency for the council website and promote through WCC communication channels.	87%
4	It should be mandatory for all types of businesses to ensure that developers re-use and recycle materials and minimise energy use. This should be complimented by the revised one-stop circular construction website, that offers easy access to all.	97%
5	Make climate action the top priority when updating planning policies and documents and giving approvals. Pay particular attention to prioritizing climate action in listed buildings.	85%
6	Develop an educational programme for the community (including schools) which builds green skills. Green skills include: active lifestyle, living sustainably, growing food, recycling, cooking, gardening, and nature.	85%
7	Recycling needs to be scaled up by all stakeholders to include a wider variety of waste streams. Information should be provided in simpler, easy to understand language, and multiple languages most appropriate to Westminster's diverse community and visitors	80%
8	Review, Adapt & Act We expect WCC to reconvene the citizen's assembly annually, regardless of political affiliation and independent of the election cycle, to account for its progress and to re-state goals in light of any shortfall	87%

Minority recommendations

Recommendations that achieved between 40-79% of support from participants in the Assembly vote.

Minority Recommendations		
1	Create a WCC climate and related health support team. A home visit scheme run by WCC that is either voluntarily requested or recommended by health and other social services. Giving guidance advice and offering affordable improvements on health and climate efficiency.	76%
2	Ensure WCC 'business community partnership scheme' is tailored towards achieving net zero.	76%
3	Lobby the government to introduce legislation to limit / restrict the availability of carbon credits to all businesses, whilst also incentivising with funding for abiding businesses	67%
4	Council provided carbon calculator for SMEs (small medium enterprises) with integrated advice. Resources (they will use) and that provides measured tax breaks for carbon reductions that reflects the size and budget of the organisations.	65%
5	Reprioritise residential and commercial areas to favour sustainable transport. Reduced reliance on private vehicles in favour of alternatives - walking, cycling etc.	46%

Appendix 2: Demographic Data of the Assembly



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