Oxford Street Development Corporation

Executive Summary

1.1 In September 2024, the Mayor of London announced a transformative vision for Oxford Street. The Mayor's ambition is to restore the area as a world-class destination, worthy of its historic international reputation and central location, and to make Oxford Street a street Londoners can once again be proud of.

1.2 A central feature of the proposal is pedestrianisation, subject to consultation – which would help to create a place that Londoners and visitors want to visit, dwell in and return to. The proposals intend to attract visitors as well as investment; provide high quality, accessible public space; address climate change; and make the street safer and more enjoyable.

1.3 To drive these changes, the Mayor confirmed his intention to create the Oxford Street Development Corporation (OSDC), a new functional body and member of the GLA Group, established on 1 January 2026. The OSDC is responsible for delivering the Mayor's vision for the regeneration, transformation and pedestrianisation (subject to consultation) of Oxford Street. The OSDC will work alongside government, businesses, local councils and Londoners to develop and deliver a bold new vision for Oxford Street.

1.4 The Mayor has invested £14.3 million (including £6.3 million brought back from 2026-27) in his 2025-26 Budget to start work on this priority. As the OSDC has now been established, its work will now be incorporated as an additional functional body in the Mayor's annual budget plans for the GLA Group from 2026-27.

1.5 This report sets out the OSDC's budget submission to the Mayor of London (the Mayor) in accordance with the Mayor's Budget Guidance for 2026-27 ("Budget Guidance"), which was published on 9 July 2025. This required that the OSDC submit its budget submission to the Mayor after its incorporation.

1.6 In line with the requirements of the Budget Guidance, this initial budget submission consists of:

- the Revenue Budget covering a 3-year period, from 2026-27 to 2028-29
- the Capital Spending Plan, covering a 5-year period, from 2025-26 to 2030-31
- OSDC's contribution towards the London Climate Budget ("Climate Budget")

1.7 The OSDC has been provided with an £18.0 million Mayoral funding control total on which to base its delivery schedule and budget plans. As such, this report sets out revenue and capital budget proposals to establish this new mayoral development corporation and deliver the Mayor's vision for Oxford Street at pace.

Introduction to OSDC

2.1 The OSDC is a Mayoral Development Corporation (MDC) with the statutory purpose and powers to regenerate the Oxford Street Mayoral Development Area (MDA) in a way that delivers the Mayor's vision for the transformation of Oxford Street.

2.2 The work of OSDC is shaped by the ambitions of the Mayor, to maximise Oxford Street's economic and social potential as a globally renowned retail and leisure destination and to deliver the greatest possible benefits for business in the area, for London and the wider UK economy. This work is not only supported by the Mayor but is also backed by the government.

2.3 These plans also feature in the London Growth Plan and in the GLA's Boosting London's Growth Sectors programme. The OSDC will continue to work in collaboration with the Greater London Authority (GLA) and the government to achieve stable, long-term economic growth, boost footfall, and improve the area for Londoners and visitors alike. The OSDC will also work with businesses, local councils and residents to develop and deliver this transformation.

2.4 A transformed Oxford Street will reflect all the great things London has to offer as a global city. Oxford Street will be known as a thriving, accessible and inclusive space – one that captures the spirit of the city, and sets the standard for urban transformation.

2.5 In its role as the Mayoral Development Corporation for Oxford Street, the OSDC will deliver the following objectives:

- develop strategies and provide visible leadership to address Oxford Street's ongoing under-performance as a visitor destination and economic driver
- maintain and improve the attraction of Oxford Street to visitors, investors and employers
- build confidence and attract investment by promoting Oxford Street as a globally significant retail and leisure destination
- facilitate the delivery of detailed proposals for any agreed public realm interventions and coordinate the management and operation of the street to provide a safe and welcoming environment for visitors, workers and residents
- support the development of Oxford Street's retail and leisure offer, including curating an ongoing programme of activations to provide a world-leading visitor experience
- establish a dedicated and locally based team with the right skills and experience to achieve the regeneration of Oxford Street
- harness exemplar design, including a strong focus on inclusion and accessibility, to deliver a world-class space and an attractive, sustainable and climate-resilient public realm
- achieve London Plan targets for comparison shopping and office space
- improve coordination and build consensus through effective engagement with key stakeholders, service providers, businesses and the local community
- develop and implement sustainable commercial and financial strategies to support the long-term curation, activation and operation of the area

- respect the role and importance of the two local authorities within whose boundaries the MDA would be sited.

2.6 The organisational structure and operating model for the MDC will be further developed by incoming Chief Executive Officer, working with the Chair and Board, but to achieve these objectives, it is expected that the OSDC will focus on six core areas:

- Delivering change – ensuring OSDC has a clear vision and a comprehensive work programme with clear deliverables for the medium and long term transformation of the area
- Planning – OSDC will become the local planning authority (LPA) for the Oxford Street MDA in Spring 2026. By delivering its statutory functions as an LPA, it will develop and implement a new Local Plan for the area, oversee the determination of planning applications, and provide a planning enforcement service
- Place-making – delivering public realm improvements in the Oxford Street area, including pedestrianisation (subject to consultation)
- Engagement – keeping stakeholders and community members informed, involved and engaged; and delivering activation of the street.
- Commercial Partnerships – encouraging investment in the delivery of a transformed Oxford Street through commercial arrangements, financial contributions, and other activities.
- Corporate Operations – ensuring the organisation has the finance, HR, and operational capabilities to deliver its strategy and delivery ambitions.

2.7 In preparing its budget, OSDC has considered the revenue and capital resources required to deliver these functions.

2.8 Please note that throughout this report, numbers may not sum due to rounding.

OSDC Budget 2026-27

3.1 This final budget has been prepared at a crucial time to enable the operational set up of OSDC during its first year of operation, to support the delivery of a high-quality planning service, to progress the delivery of high-quality public realm improvements to Oxford Street, and to facilitate broader engagement activities, including public space activation and partnership building.

3.2 The 2026-27 budget builds on the successes and key milestones achieved since September 2024 when the Mayor's ambitions were announced, which include:

- a nine-week consultation on proposals for the designation of a Mayoral Development Area and the subsequent establishment of a new Mayoral Development Corporation (MDC) that will support the regeneration of Oxford Street, as well as on the principle of pedestrianisation
- redesignating Oxford Street as a GLA road (for which TfL has become the relevant Highway Authority)
- closing Oxford Street to traffic for a landmark one-day 'This is Oxford Street' event on 21 September 2025
- procurement of a design/architecture team for the public realm
- launching a further consultation on traffic and highways changes to enable the pedestrianisation of Oxford Street
- the creation of the Oxford Street Development Corporation to deliver the Mayor's vision for Oxford Street on 1 Jan 2026

3.3 OSDC's key priorities and deliverables for 2026-27 include:

- progressing transport and highways proposals to inform any future pedestrianisation scheme (subject to consultation and future decision) and public realm improvements along the length of the street
- development of a longer-term vision and strategy for commercial activation and income
- developing partnerships with key stakeholders to drive the transformation of the Oxford Street area
- a programme of activation and events in Oxford Street
- operating statutory planning functions as a local planning authority, including progressing its planning policies and place-based development strategy
- building the skills, enabling services and capacity in the Corporation to meet its delivery objectives.

Revenue Expenditure, Commercial Income and Funding Requirement

4.1 Tables 1 and 2 below set out OSDC's financing requirement on an objective and subjective basis.

Table 1

Objective analysis OSDC	**Budget 2026-27 £m**	**Plan 2027-28 £m**	**Plan 2028-29 £m**
Executive Office, Strategy and Policy	1.2	1.3	1.3
External Relations	2.8	2.8	2.9
Commercial Partnerships	0.2	0.3	0.3
Planning	1.9	2.2	1.8
Place	5.0	4.1	4.0
Corporate Operations	3.5	3.6	3.7
Tax	0.7	0.0	0.0
Net service expenditure	**15.2**	**14.2**	**13.9**
Capital financing costs	2.8	5.8	10.2
Net expenditure	**18.0**	**20.0**	**24.1**
Funding sources to be identified	0.0	(1.6)	(5.4)
Business Rates	18.0	18.4	18.7
Council Tax Requirement	**0.0**	**0.0**	**0.0**

Table 2

OSDC - Subjective analysis	**Budget 2026-27 £m**	**Plan 2027-28 £m**	**Plan 2028-29 £m**
Staff costs	4.4	5.0	5.2
Premises costs	0.1	0.2	0.2
Supplies and services	10.9	9.2	8.7
Capital financing costs	2.8	5.8	10.2
Total gross expenditure	**18.3**	**20.3**	**24.4**
Sales, fees, charges and recharges	(0.3)	(0.3)	(0.3)
Interest receivable	0.0	0.0	0.0
Total gross Income	**(0.3)**	**(0.3)**	**(0.3)**
Net expenditure	**18.0**	**20.0**	**24.1**

4.2 The revenue costs (before capital financing costs) of the MDC are forecast to be £15.2 million in 2026-27, reducing to around £14 million per year over the remainder of the three-year period. The reduction relates to one-off expenditure items in the earlier years of OSDC.

4.3 In 2026-27, there are one-off revenue costs of £2.4 million that must be met to deliver the programme timeline. These are specifically in the Place function for the design and delivery of the first phase of pedestrianisation (subject to consultation), alongside completing public realm design work that is underway. There are also higher costs for the OSDC Planning Function in the earlier years whilst a new Local Plan is commissioned.

4.4 In addition to the Corporation's staffing costs (noting that the staffing structure is subject to review by the new Chair and the incoming Chief Executive Officer). the OSDC budget is expected to fund the following:

- Executive Office, Strategy and Policy – organisational strategy and policy costs associated with bringing forward the transformation of Oxford Street. This includes any costs for developing and implementing a commercial and fundraising strategy.
- External Relations – costs associated with the OSDC's strategic communications, stakeholder and public engagement, public activations, events, marketing campaigns, digital communications, and internal communications.
- Planning – costs associated with operating OSDC's statutory planning function, including reviewing planning applications in the MDA; and developing and implementing London Plan. The OSDC is also expected to secure moderate income of c£0.3 million for planning applications.
- Place – costs associated with maintain security and cleaning arrangements in the MDA and early one-off expenditure on the public realm and the design and delivery of the first phase of pedestrianisation (subject to consultation),
- Corporate Operations – costs associated with the Corporation's accommodation, finance, HR, Legal, Insurance, Procurement, Secretariat, Audit services. Many of these costs are based on a shared services model.
- Tax – For a period, OSDC will not be VAT registered and cannot reclaim any VAT paid. Six months of these VAT costs have been captured in the budget for 2026-27.
- Capital financing costs – associated with borrowing for OSDC's capital programme.

4.5 Table 3 summarises the current expected revenue costs for Phase 1 of the Oxford Street Scheme (Oxford Street West) from a traffic and highways perspective. These costs are included in 'Place' in Table 1 above. Costs for 2025-26 only relate to the period from January 2026 to March 2026.

Table 3

Expected Project Costs (EPC)		**Budget**				
Revenue Expenditure	**2025-26**	**2026-27**	**2027-28**	**2028-29**	**2029-30**	**2030-31**
	£m	**£m**	**£m**	**£m**	**£m**	**£m**
Enabling Works on WCC roads	0.0	0.3	-	-	-	-
Traffic/highways Design	2.4	0.1	0.1	0.1	-	-
Oxford Street Management	1.2	2.0	-	-	-	-
Total Revenue Expenditure	**3.6**	**2.4**	**0.1**	**0.1**	**-**	-

Commercial income / fundraising strategy

4.6 Commercial income streams are expected to eventually fund a large proportion of OSDC's operational costs and fund any borrowing for OSDC's capital programme. The capital financing costs are also expected to be covered by income generation.

4.7 The MDC will be responsible for developing and implementing a commercial and fundraising strategy. In the first months of its operation, early work on this strategy will focus on expected income from planning activities.

4.8 The main sources of income are expected to be related to advertising, events, commercial partnerships and planning fees. Philanthropic contributions and business contributions are also being pursued.

4.9 Until a commercial strategy is developed, the OSDC will be 2026-27 will be funded via a transfer from GLA Group funds. The OSDC anticipates that it will be able to secure income of c£0.3 million in its role as the Local Planning Authority (LPA). The remaining balance will be funded through the GLA Group in 2026-27.

4.10 The budget position currently presents a funding gap in 2027-28 and 2028-29 as current assumptions and options on income are being developed. A combination of GLA Group funds and commercial income of £20.0 million in 2027-28 and £24.1 million in 2028-29 will be required to cover the Corporation's planned expenditure for these years.

4.11 At this stage of the budget process, while discussions on commercial income are ongoing, the assumption is that all capital costs will be borrowed on an annuity basis, repaying the principal and interest over 15 years. The capital financing costs reflect this assumption.

Value for Money

5.1 In preparing this budget submission, every effort has been made to drive value for money and leverage resources available across the GLA Group and strive for the best contract prices with suppliers for goods and services.

Shared Services

5.2 OSDC is utilising shared services arrangements across the GLA Group to eliminate duplication, reduce costs and standardise processes. These include utilising the:

- IT, HR and finance platforms delivered by Transport for London (TfL)
- Legal and Procurement services provided by TfL
- Mayor's Office for Policing and Crime's (MOPAC's) internal audit function
- Secretariat and Treasury Management Services provided by the GLA
- insurance services provided by the London Legacy Development Corporation (LLDC),

Risk Management

5.3 An important part of OSDC financial resilience and securing value for money is the identification and mitigation of risks. The Corporation has processes in place to regularly review risks at a project, directorate and corporate level.

5.4 The table below (Table 4) sets out the top three financial risks that would impact delivery of the Oxford Street transformation and the mitigations in place.

Table 4

Risk	Likelihood	Impact	Mitigation	RAG
Insufficient funding to meet the costs of the Oxford Street Transformation public realm and transport scheme	3	5	Identification of cost-effective routes to delivery; development of a commercial strategy to reduce funding requirement from GLA Group	Amber
Insufficient funding to cover OSDC's operational costs	2	5	Ongoing revision of operational costs; development of a commercial strategy to reduce funding required from the GLA Group	Amber
Lack of interest from commercial partners and inability to fundraise	2	4	Early engagement with businesses and other organisations (e.g. philanthropic) and development of offers to support commercial partnership	Amber

Financial Resilience

6.1 The Local Government Act 2003 requires the Chief Finance Officer to report on the robustness of budget estimates and the adequacy of financial reserves. The OSDC's Director of Finance and Operations will have this responsibility.

6.2 To aid good decision making and ensure public funds optimally utilised, OSDC has put in place governance, oversight and reporting mechanisms, as outlined below.

Governance and Accountability

6.3 The OSDC Board will review and approve the indicative OSDC budget before final submission to GLA. The Board will also review monthly and quarterly management accounts including year-to-date expenditure against budget and forecast outturn for the year.

6.4 The Audit and Risk Committee (ARC) will regularly review the OSDC's financial position and undertake a detailed review of the Corporation's Annual Report and Accounts

6.5 The Executive Management Team will provide oversight of expenditure decisions and review of expenditure and income against the annual budget and other business priorities that have an impact on the OSDC's financial position.

6.6 The Chief Executive Officer and Director of Finance and Operations will have executive oversight of financial decisions and approval of the OSDC budget before submission to GLA. They will lead the review of management accounts, including year-to-date expenditure against budget and forecast outturn for the financial year.

Medium-term financial plan (MTFP), Strategies and Plans

6.7 The OSDC has processes for performance monitoring and reporting which include the following:

- there will be monthly and quarterly review and monitoring of expenditure against the annual budget
- the Director of Finance and Operations will work with their team and business areas to review the position and then present to the CEO and Senior Team quarterly where variances to budget are analysed and scrutinised
- a quarterly performance report will be prepared, which outlines the position to date and any variances to budget reviewed with the GLA and published.
- the OSDC will attend regular Finance and Policy Liaison Meetings with the GLA to report on performance and other corporate priorities.

Robustness of estimates

6.8 The 2026-27 budget submission has been prepared using reasonable assumptions and reflects the best available information at the time. As the OSDC was established on 1st January 2026, further refinement may be needed to the as assumptions are firmed up prior to the start of the financial year. Updates to the draft budget submission are reflected in this Final Budget.

Adequacy of reserves

6.9 In 2026-27 the OSDC net revenue expenditure is funded by a transfer from GLA Group funds and will be drawn down throughout the year on a cash basis. The OSDC will not hold reserves in 2026-27.

6.10 The management of any upside and downside risks will be managed through OSDC's own budget. The GLA holds reserves for unexpected costs associated with Mayoral Development Corporations and the balance held is considered to be prudent in the context of currently known liabilities, risks, and uncertainties.

Environmental impact and Climate Budget

7.1 The Mayor's commitment to achieve net zero by 2030 is integrated into the current OSDC strategy. The OSDC will deliver on the Mayor's vision for Oxford Street, transforming it into a vibrant, green and world-class destination for Londoners and visitors alike.

7.2 As a result of the delivery of the public realm scheme and traffic changes for the first phase of the Oxford Street transformation programme (between Orchard Street and Great Portland Street), including its pedestrianisation (subject to consultation), PM10 and PM2.5 levels are forecast to meet the legal limit values (40 µg/m³ and 20 µg/m³ respectively). PM2.5 levels will remain close to or just above the 2028 interim target of 12 µg/m³.

7.3 The delivery of the public realm scheme will also contribute to broader climate objectives through delivering resilience-enhancing interventions such as tree planting, green infrastructure, and sustainable drainage systems – all of which would contribute to enhancing London's resilience to climate impacts (e.g. extreme heat, flooding) and to create a greener and safer Oxford Street where people can dwell and want to spend time. The impacts of the public realm scheme on carbon emissions reduction and broader climate resilience will continue to be assessed as the designs and interventions are finalised.

Equalities implications

8.1 Under section 149 of the Equality Act 2010 (the Equality Act), the OSDC as a public authority must comply with the Public Sector Equality Duty when exercising its functions.

8.2 An Equalities Impact Assessment (EqIA) was completed for the Mayor's proposals to designate an MDA and subsequently an MDC for Oxford Street. This impact assessment provided an assessment of the impacts on equality and inclusion. A separate Equalities Impact Assessment was completed in relation to the principle of pedestrianisation of Oxford Street. The full EqIAs are available online at: Oxford Street Transformation | Have Your Say Transport for London.

8.3 The budget proposals set out in this report support the OSDC's key aim to support economic growth by creating an attractive and inclusive neighbourhood that welcomes people of all ages and backgrounds.

8.4 This budget will deliver a range of activities aiming to inform and deliver future public realm improvements in and around Oxford Street, paying due regards to the content of any relevant EqIAs. Previous studies found that the pedestrianisation of Oxford Street would create more dedicated pedestrian space along the street; and should significantly improve the overwhelming and disorienting nature of crowding that commonly occurs. By removing most traffic from Oxford Street, it would significantly reduce road-danger risks for pedestrians. Previous studies also found that any pedestrianisation scheme would reduce bus access on Oxford Street, as well as taxi and private hire access. As such, any detailed proposals funded through this final budget will consider alternative access points on adjacent streets.

8.5 The activities described in this budget submission will seek to create an attractive, safe and inclusive street that welcomes people of all ages and backgrounds and creates opportunities (including employment) for all Londoners. It is expected that, through its operations, the OSDC will engage with and cater for the need of a wide range of groups – including those with protected characteristics as part of its ongoing engagement activities, including public consultations (for instance with regards to planning documents), stakeholder engagement and major events.

8.6 A full EQiA was published in relation to the traffic and highways changes proposed for the first phase of the capital scheme, between Orchard Street and Great Portland Street as part of TfL's public consultation. The EqIA found that if pedestrianisation is pursued, it is expected to improve air quality, reduce noise, and enhance road safety on Oxford Street. Many people are likely to find it easier to move along Oxford Street as a result of having more pedestrian space.

8.7 Older people, disabled people and women (including pregnant women), that have higher rates of bus and taxi usage, would be impacted as the proposals restrict bus and taxi access to Oxford Street. However, these groups would also find it easier to use Oxford Street as a result of having more pedestrian space, a level pavement surface and more seating and resting places.

8.8 In accordance with the Public Sector Equality Duty and the Mayor's Equality, Diversity and Inclusion Strategy, OSDC will continue to assess the likely impacts of its budget proposals and will complete EqIAs for individual programmes as appropriate.

Capital Strategy

Introduction

9.1 OSDC was incorporated on 1 January 2026 with expected capital expenditure of £27 million in 2026-27 and c£144 million capital overall up to 2030-31, along with c£6 million of Revenue project costs. This capital expenditure in this plan reflects only the costs to deliver the pedestrianisation of the section of Oxford Street between Orchard Street and Great Portland Street (subject to consultation).

Intention

9.2 This strategy has been prepared in accordance with the Mayor's Budget Guidance 2026-27, which was published in July 2025. The Chartered Institute of Public Finance and Accountancy (CIPFA) Prudential Code requires all local authorities to produce a Capital Strategy.

9.3 OSDC's Capital Strategy will form part of the overall GLA Group-wide strategy to drive the Mayor's capital investment commitments whilst ensuring sustainable and long term delivery of services and programs.

9.4 The aims of the Capital Strategy are to deliver the Mayor's ambition to regenerate and transform Oxford Street by:

- Maintaining and improving the attraction of Oxford Street to support economic growth.
- Facilitating the delivery of any agreed public realm interventions and coordinating the management and operation of the street to provide a safe and welcoming environment for visitors, workers and residents.
- Supporting the development of Oxford Street's retail and leisure offer, including curating an ongoing programme of activations to provide a world-leading visitor experience
- Establishing a dedicated and locally based team with the right skills and experience to achieve the regeneration of Oxford Street

Benefits

9.5 The benefits of the OSDC preparing a Capital Strategy are to:

- provide a clear framework in which OSDC's capital investment decisions are made
- help ensure OSDC's capital plans align to the Mayor's priorities and ultimately achieves OSDC's objective
- promote transparency and accountability, ensuring that OSDC takes ownership of its decisions and commitments.

Approach

9.6 To ensure that capital resources are allocated effectively and appropriately, the capital planning for the OSDC is done as part of the overall annual statutory GLA Group budget setting process.

9.7 The delivery of the first phase of the program (between Orchard Street and Great Portland Street, together with any accompanying improvements to other sections of the highway) is expected to cost c£144 million of capital up to 2030-31, currently expected to be funded by OSDC borrowing after any contribution from income sources. The cost of borrowing is reflected in the revenue requirement. Commercial income streams and third party contributions that could cover elements of capital expenditure are currently being considered and are not reflected in this budget submission.

Appraisal

9.8 The OSDC's Chair, Board members, CEO and Director of Finance and Operations will lead work to ensure good decision making and ensure that public funds are utilised appropriately and optimally. The OSDC will put in place rigorous governance structures for capital investment oversight and financial reporting mechanisms that will include:

- the OSDC Board
- Audit and Risk Committee (ARC)
- Executive Management Team

Influences

9.9 OSDC will continue to engage with all relevant stakeholders and community members in the delivery of the project, keeping them informed, involved and engaged while also encouraging investment in the delivery of a transformed Oxford Street through commercial arrangements and financial contributions. A range of factors may impact on the delivery and outcomes of the OSDC's programmes including:

Internal

- Any wider Mayoral programmes (or funding) relating to regeneration and growth in the Central Activities Zone

External

- economic and market conditions that could influence investor appetite and financing costs
- commercial arrangements with partners and the level of commercial income raised that contribute to the cost of the project
- availability and deployment of delivery resources, both within OSDC but also within delivery partners and their supply chain involved in public realm improvements

Policies

9.10 The OSDC Capital Strategy is aligned to deliver the Mayor's ambition for the transformation of Oxford Street.

5-Year Capital Spending Plan

9.11 The capital spending plan will enable delivery of Phase 1 of the infrastructure work and pedestrianisation of Oxford Street West and any wider accompanying works. The expected project costs for Phase 1 and the OSDC 5-year capital spending plan and financing costs are outlined in the tables 5 and 6 below.

Table 5

Expected Project Costs (EPC)		**Budget**				
Capital Expenditure	**2025-26**	**2026-27**	**2027-28**	**2028-29**	**2029-30**	**2030-31**
	£m	**£m**	**£m**	**£m**	**£m**	**£m**
Enabling Works on WCC roads	-	-	-	-	-	-
Detailed Design	2.5	5.3	6.2	-	-	-
Delivery	0.2	21.8	24.7	46.7	17.8	19.1
Total Capital Expenditure	**2.7**	**27.1**	**30.9**	**46.7**	**17.8**	**19.1**

Table 6

OSDC - Final capital spending plan	**Forecast Outturn**	**Budget**	**Plan**	**Plan**	**Plan**	**Plan**
	2025-26	**2026-27**	**2027-28**	**2028-29**	**2029-30**	**2030-31**
	£m	**£m**	**£m**	**£m**	**£m**	**£m**
Infrastructure	2.7	27.1	30.9	46.7	17.8	19.1
Total expenditure	**2.7**	**27.1**	**30.9**	**46.7**	**17.8**	**19.1**
Capital receipts	-	-	-	-	-	-
Capital Grants & Third Party Contributions	-	-	-	-	-	-
Borrowing*		27.1	30.9	46.7	17.8	19.1
Revenue contributions	2.7	-	-	-	-	-
Total funding	**2.7**	**27.1**	**30.9**	**46.7**	**17.8**	**19.1**

9.12 The capital financing costs and OSDC borrowing limits are presented in Table 7 and Table 8.

Table 7

OSDC – Capital financing costs	**Forecast Outturn**	**Budget**	**Plan**	**Plan**	**Plan**	**Plan**
	2025-26	**2026-27**	**2027-28**	**2028-29**	**2029-30**	**2030-31**
	£m	**£m**	**£m**	**£m**	**£m**	**£m**
Principal and interest costs associated with external borrowing	-	2.8	5.8	10.2	11.9	13.8
Total	**-**	**2.8**	**5.8**	**10.2**	**11.9**	**13.8**

Table 8

OSDC - Borrowing limits	Current Approval 2025-26 £m	Revised Approval 2025-26 £m	Proposed 2026-27 £m	Proposed 2027-28 £m	Proposed 2028-29 £m	Proposed 2029-30 £m	Proposed 2030-31 £m
Authorised Limit							
Borrowing	150.0	150.0	150.0	150.0	150.0	150.0	150.0
Long term liabilities	-	-	-	-	-	-	-
OSDC Total	**150.0**	**150.0**	**150.0**	**150.0**	**150.0**	**150.0**	**150.0**
Operational limit							
Borrowing	144.3	144.3	144.3	144.3	144.3	144.3	144.3
Long term liabilities	-	-	-	-	-	-	-
OSDC Total	**144.5**	**144.5**	**144.5**	**144.5**	**144.5**	**144.5**	**144.5**

20-Year Capital Requirement

9.13 It is anticipated that the initial capital programme for Phase 1 will be completed by 2030-31, and therefore there are no costs included for capital spend beyond 2030-31 at this point.

9.14 If the Mayor chooses to proceed (subject to consultation) with any subsequent phases of pedestrianisation, detailed capital estimates will be developed at that stage and reflected in future iterations of the OSDC's Capital Strategy.

9.15 Table 9 presents OSDC's current Capital Strategy.

Table 9

OSDC – Capital Strategy	Forecast Outturn 2025-26 £m	Budget 2026-27 £m	Plan 2027-28 £m	Plan 2028-29 £m	Plan 2029-30 £m	Plan 2030-31 to 2034-35 £m	Plan 2035-36 to 2039-40 £m	Plan 2040-41 to 2044-45 £m
Infrastructure	2.7	27.1	30.9	46.7	17.8	19.1	-	-
Total expenditure	**2.7**	**27.1**	**30.9**	**46.7**	**17.8**	**19.1**	**-**	**-**
Capital receipts	-	-	-	-	-	-	-	-
Capital Grants & Third Party Contributions	-	-	-	-	-	-	-	-
Borrowing*	-	27.1	30.9	46.7	17.8	19.1	-	-
Revenue contributions	2.7	-	-	-	-	-	-	-
Total funding	**2.7**	**27.1**	**30.9**	**46.7**	**17.8**	**19.1**	**-**	**-**

Risks

9.16 OSDC will continue to regularly monitor risks to the entire programme through its governance arrangements. Potential risks relating to the capital strategy include:

- unfunded increases in the cost of infrastructure projects and capital commitments
- delays in capital project delivery mean extended timelines and costs
- deterioration in economic conditions
- changes in the cost of borrowing
- insufficient income to cover elements of capital costs
- concerns of local residences and businesses via the public consultation

9.17 To manage risks relating to management of finance, borrowing limits will be agreed annually with GLA Group and regularly reviewed for delivery, affordability and risk.