Oxford Street Development Corporation (OSDC)

DRAFT UNAUDITED Annual Report and Statement of Accounts
2025/26

Contents

Foreword from the Chair

The establishment of the Oxford Street Development Corporation (OSDC) marks a decisive moment in shaping the future of one of London's most iconic and globally recognised destinations. Oxford Street is central not only to the capital's economy, but also to its identity and international reputation, and its renewal presents a significant opportunity to deliver lasting benefits for Londoners, businesses, and visitors alike.

This first Annual Report and Statement of Accounts reflects the OSDC's initial months of operation (from 1 January 2026 – 31 March 2026). While this has been a relatively short period, it has been characterised by strong early progress and a clear sense of purpose, as the organisation has worked to establish the foundations required for long-term transformation.

During this formative phase, the focus has been on building the structures and governance necessary to support delivery. Establishing effective oversight, strong financial stewardship and clear accountability is essential to ensuring that the OSDC can fulfil its responsibilities with confidence and integrity as it moves forward.

The transformation of Oxford Street will require sustained collaboration across the public and private sectors. I am encouraged by the positive relationships that have already been established with the Greater London Authority (GLA), Transport for London (TfL), local authorities, businesses, landowners, and local communities. These partnerships will be fundamental to achieving a shared ambition for the area.

Looking ahead, the OSDC will move from mobilisation into delivery, taking forward a coordinated and ambitious programme of regeneration. The Board will continue to provide oversight and direction, ensuring that this work is delivered to the highest standards and that the long-term interests of London are at the heart of every decision.

Foreword from the Chair (*continued*)

I would like to thank fellow Board Members, the executive team, and our partners for their contribution during this important early stage. Their commitment has enabled a strong start and provides confidence in the work ahead.

We approach the next phase with ambition and a clear sense of responsibility, as the OSDC begins to realise the long-term vision for Oxford Street.

____ __30th June 2026__

Scott Parsons
Chair
Oxford Street Development Corporation Board

Date

Introduction from the Chief Executive Officer

Oxford Street is the Nation’s High Street, London’s shop window to the world and a critical contributor to London's economy, culture and identity. Oxford Street faces significant opportunities and challenges, from changing retail trends and increasing visitor expectations to the need for high-quality public spaces and sustainable growth. The establishment of the Oxford Street Development Corporation provides a dedicated vehicle to coordinate investment, unlock delivery and secure its long-term success. This first Annual Report and Statement of Accounts sets out the progress made during our initial period of operation and the practical steps we are taking to move towards delivery.

A Strong Start: Establishing the Oxford Street Development Corporation

Our early months have been defined by momentum and focus. As a newly created organisation, our focus during this initial period has been on mobilisation—building the leadership, systems and capability required to operate effectively and at pace.
We have made strong early progress in:

- establishing our executive team and organisational structure
- embedding governance, financial management and assurance processes
- defining initial priorities and work programmes
- developing working relationships across key partners and stakeholders.

Oxford Street operates within a complex environment, and coordinated delivery will be critical. We have therefore prioritised engagement with the GLA, TfL, local authorities, businesses and landowners, alongside early engagement with communities.

Building the Foundations for Delivery

A key priority has been putting in place the operational frameworks needed to support delivery. This includes implementing financial controls, risk management arrangements, and performance monitoring, ensuring that the organisation is equipped to manage programmes effectively as they develop.

At the same time, we have begun to build the evidence base that will inform future decisions. This work will support the development of plans to improve the function, experience, and long-term performance of Oxford Street as a leading retail, cultural and visitor destination.

Introduction from the Chief Executive Officer (*continued*)

Transitioning to Delivery

While this reporting period reflects our first three months of activity, the focus is now shifting towards delivery. The OSDC is moving from establishing capability to developing and implementing programmes that will enable visible change on the ground.

A central focus for the year ahead will be progressing the design and funding strategy for the transformation of Oxford Street. This includes developing detailed public realm designs and a whole-street masterplan to guide future phases of delivery, alongside establishing a clear commercial and funding strategy to support long-term investment. This work will be critical to ensuring that the Corporation can move confidently from initial delivery into a sustainable, funded programme of regeneration.

Priorities for the Year Ahead

The next phase of work will focus on translating our objectives into deliverable plans.

Our priorities include:

- developing a clear long-term vision and corporate plan
- establishing our role as Local Planning Authority
- progressing proposals for Oxford's Streets public realm
- progressing the design development and establishing a funding and commercial strategy to support the long-term transformation of Oxford Street
- ensuring strong relationships and collaboration with key stakeholders
- maintaining strong financial and organisational discipline.

These priorities are designed to ensure that the OSDC is ready to move into delivery in a structured and sustainable way.

Looking Ahead

The regeneration of Oxford Street is a complex programme, but one with significant potential. By taking a structured and partnership-led approach, the OSDC will deliver improvements that enhance the experience of those who live in, work in and visit the area, while supporting long-term economic growth.

The year ahead will be pivotal. With the foundations now in place, our focus turns to shaping and delivering a transformation worthy of Oxford Street's status as one of the world's great destinations. We look forward to working with partners, businesses, residents and visitors to realise that ambition.

Closing Remarks

I would like to thank colleagues—particularly the Interim Chief Finance Officer, Adam Barrett, and the OSDC Finance team—as well as the OSDC Board and partners, for their support during this initial period. Their work has been critical in establishing the OSDC and preparing it for delivery. I am excited for the months ahead.

____________________________ __30th June 2026__

Nabeel Khan
Chief Executive Officer
Oxford Street Development Corporation

Date

Narrative Report

01. Context and Purpose

The Oxford Street Development Corporation (OSDC) was established on 1 January 2026 to lead the long-term regeneration and renewal of Oxford Street and the surrounding area.

As a Mayoral Development Corporation (MDC) and functional body of the GLA, the Corporation has been given a clear mandate to coordinate investment, shape development and deliver improvements to secure Oxford Street's future as a world-class retail, leisure and cultural destination.

This Narrative Report covers the OSDC's first three months of operation, from 1 January 2026 to 31 March 2026. As a newly established organisation, activity during this period has focused on mobilisation—putting in place the governance, organisational capability and financial management arrangements required to support delivery.

02. Strategic Direction and Delivery

The OSDC's strategic direction is set out in its inaugural Business Plan, which establishes a clear framework for delivery over the medium term. This reflects the Mayor of London's ambition to transform Oxford Street into a high-quality, pedestrian first destination that supports economic growth, improves accessibility, and enhances the overall visitor experience.

The Business Plan is structured around four strategic themes, which guide the Corporation's priorities and activities:

- **A World Class Public Realm** – delivering a high-quality, safe, and accessible street environment that prioritises pedestrians.
- **A High-Growth Economy** – strengthening Oxford Street's commercial offer and supporting investment and business activity.
- **A Place for Everyone** – creating an inclusive, welcoming, and accessible destination for residents, workers, and visitors.
- **A Strong Delivery Capability** – establishing the leadership, governance and delivery capacity required to implement a complex programme of transformation.

These themes provide a clear framework for coordinating a wide range of activities, from public realm improvements and stakeholder engagement to planning and programme delivery.

Mobilisation and Early Progress

During this initial reporting period, the OSDC has focused on establishing the foundations required to deliver against its strategic objectives.

Key areas of progress include:

- establishing governance structures, including the Board, and supporting oversight arrangements
- developing the executive team and organisational structure
- embedding financial management, risk management, and assurance processes
- initiating engagement with key stakeholders, including the GLA, Transport for London (TfL), local authorities, businesses, and landowners
- beginning to develop the evidence base and programme planning required to support future interventions.

Narrative Report (*continued*)

This work reflects a transition from organisational set-up towards early-stage programme development, ensuring that the OSDC is equipped to move into delivery in a structured and controlled way.

Performance Framework

The OSDC is developing a performance framework to monitor progress against its strategic objectives. In line with the Business Plan, this will focus on a combination of output and outcome-based measures, including:

- improvements to the quality, accessibility, and safety of the public realm
- changes in footfall, dwell time, and visitor satisfaction
- commercial performance, including occupancy rates and business activity
- delivery of key programme milestones
- effectiveness of stakeholder engagement and partnership working.

Outlook and Next Steps

As the OSDC moves into its first full year of operation, the focus will shift from mobilisation to implementation.

Key priorities for the next phase include:

- advancing plans for the transformation and pedestrianisation of Oxford Street, including early phases of delivery
- establishing the OSDC's role as Local Planning Authority from Summer 2026
- strengthening stakeholder alignment and partnership working
- developing a coordinated programme of public realm, activation, and investment activity
- maintaining strong governance, financial management and organisational discipline.

These priorities will support the transition from planning to delivery, ensuring that the OSDC is able to deliver visible and sustained improvements over time.

Narrative Report (*continued*)

03. Financial Performance and Position

During this initial period, the OSDC's financial activity has been focused on mobilisation and the establishment of the organisation.

Expenditure has primarily related to:

- recruitment and staffing
- professional services and advisory support
- programme development and early technical work
- corporate and operational set-up costs.

Financial performance has been managed within approved budgets, supported by appropriate financial controls, monitoring and reporting arrangements.

As a newly established organisation, the OSDC's financial position reflects its early stage of development:

- a limited asset base and liabilities
- stable grant funding provided by the GLA
- minimal capital expenditure during the period
- straightforward cash flows, consisting primarily of grant income and operational expenditure.

Further detail on financial performance, position and cash flows is provided in the financial statements that follow.

04. Value for Money

The OSDC is committed to ensuring that public resources are used economically, efficiently, and effectively.

During this period, value for money has been supported through:

- a phased and controlled approach to recruitment and procurement
- the early establishment of governance and financial management arrangements
- clear alignment of resources to strategic priorities, focusing on building delivery capability
- the use of professional advice to support effective decision-making during mobilisation.

This approach provides a strong foundation for delivering value for money as the OSDC transitions into programme delivery.

Narrative Report (*continued*)

05. Strategic Outlook and Financial Sustainability

The OSDC enters its next phase on a stable financial footing, with confirmed funding and a clear strategic direction.

As programme activity increases, expenditure is expected to grow, particularly as delivery of public realm improvements and other interventions progresses.

Financial sustainability over the medium to long term will be supported through:

- continued public sector funding
- partnership investment from the private sector
- potential future income associated with development and regeneration activity.

Key risks to financial sustainability include:

- economic and market conditions affecting investment and delivery viability
- cost inflation and supply chain pressures
- dependence on external funding and partnership arrangements.

These risks are actively managed through the OSDC's governance, financial management and risk management processes.

06. Transparency and Accessibility

The OSDC is committed to maintaining high standards of transparency, accountability, and public reporting.

This Narrative Report has been prepared to provide a clear and accessible overview of the OSDC's activities, financial position, and strategic direction during its initial period of operation.

As the organisation moves into delivery, it will continue to strengthen its reporting and accountability framework, ensuring that stakeholders are able to understand progress and performance over time.

__________________________ __30th June 2026__

Adam Barrett
Interim Chief Finance Officer

Date

Purpose of major schedules within the financial statements

The nature and purpose of the primary schedules included within the financial statements are set out below:

Comprehensive Income and Expenditure Statement

This statement shows both the revenue received and the costs incurred during the period of providing services, in accordance with International Financial Reporting Standards (IFRS) and in accordance with CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2025/26

Income and expenditure, as reported in the management accounts, shows an underspend of £1.1m which has been transferred to the GLA's MDC Reserves. The Comprehensive Income and Expenditure Statement show a surplus of £51k due to adjustments to cost of services for amounts not reported in the management accounts. These accounting adjustments relate to pension service costs and short-term accumulating compensated absences (STACA).

Statement of Financial Position

The balance sheet shows the value as at the balance sheet date of the assets and liabilities recognised by the OSDC. The net assets of the OSDC (assets less liabilities) are matched by the reserves held by the OSDC. Reserves are reported in two categories. The first category of reserves is usable reserves, being those reserves that the OSDC may use to provide services. The second category of reserves is those that the OSDC is not able to use to provide services (Unusable Reserves). This category of reserves is brought about by accounting entries and includes reserves that are impacted by timing differences shown in the movement in reserves statement line 'Adjustments between accounting basis and funding basis under regulations'. They are not cash-backed reserves or an additional source of funding for the OSDC.

The balance sheet shows a net asset of £51k in unusable reserves relating to pension liabilities and the short-term accumulating compensated absences account.

Purpose of major schedules within the financial statements (*continued*)

Movement in Reserves Statement

This statement shows the movements in the year on the different reserves held by the OSDC analysed between usable reserves and unusable reserves, Gains and losses recognised on an accounting basis and the statutory adjustments required to control the amounts being recognised within the OSDC's General Fund are reflected in the usable reserves. In Local Authorities, the General Fund governs the amounts chargeable to council tax for the year, however this is not relevant in the context of the OSDC. The unusable reserves include the pensions reserve, accumulated absences reserve and the capital adjustment account, which absorbs the timing differences arising from the different arrangements for the consumption of non-current assets and for financing the acquisition, construction, or enhancement elements of those assets under statutory provisions.

The OSDC has a nil closing balance on usable reserves as the level of funding from the GLA matched the level of expenditure during the year. This statement shows movements relating to pension liabilities and the short-term accumulating compensated absences account that give rise to a negative balance on usable reserves of £51k.

Cash Flow Statement

The cash flow statement shows the movements in cash and cash equivalents of OSDC during the financial year. The statement shows how the OSDC generates and uses cash and cash equivalents by classifying cash flows as derived from operating, investing, and financing activities. The cash flow statement shows an increase in cash balances by £124k.

Statement of Responsibility for the Accounts

The Corporation's responsibilities

The Corporation is required to:

- make arrangements for the proper administration of its financial affairs and to secure that one of its officers has responsibility for the administration of those affairs. In the OSDC, that officer is the Chief Finance Officer.
- manage its affairs to secure economic, efficient, and effective use of resources and safeguard its assets; and
- approve the Statement of Accounts.

The Chief Finance Officer's responsibilities:

The Chief Finance Officer is responsible for the preparation of the Statement of Accounts for Oxford Street Development Corporation in accordance with proper practices as set out in the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom (the Code).

In preparing this Statement of Accounts, the Chief Finance Officer has:

- selected suitable accounting policies and then applied them consistently
- made judgements and estimates that were reasonable and prudent
- complied with the Code
- kept proper accounting records which were up to date
- taken reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of Responsibility for the Accounts (*continued*)

Certificate of the Chief Finance Officer

I certify that the Statement of Accounts gives a true and fair view of the financial position of Oxford Street Development Corporation at the accounting date and of the income and expenditure for the period 1 January to 31 March 2026.

________________________ __30th June 2026__

Adam Barrett
Interim Chief Finance Officer

Date

Independent Auditor’s Report to Members of the Oxford Street Development Corporation

Core Financial statements:

- Corporation Comprehensive Income and Expenditure Statement for the period 1 January to 31 March 2026
- Corporation Statement of Financial Position as at 31 March 2026
- Corporation Movement in Reserves Statement for the period 1 January to 31 March 2026
- Corporation Statement of Cash Flows for the period 1 January to 31 March 2026

Core Financial statements

Corporation Comprehensive Income and Expenditure Statement for the period 1 January to 31 March 2026

	Note	Gross Income £	Gross Expenditure £	Net Expenditure £
Corporation		(4,809,100)	7,400,495	2,591,395
Net Cost of Services		**(4,809,100)**	**7,400,495**	**2,591,395**
Financing and investment income and expenditure	*4*	(1,000)	20	(980)
Taxation and non-specific grant income and expenditure	*5*	(2,660,000)	-	(2,660,000)
(Surplus) or Deficit on Provision of Services		**(7,470,100)**	**7,400,515**	**(69,595)**
Corporation tax	*6*	-	20,156	20,156
Deferred tax	*6*	(1,827)	-	(1,827)
(Surplus) or Deficit on Provision of Services after tax		**(7,471,927)**	**7,420,671**	**(51,256)**
Remeasurement of the net defined benefit liability/(asset)		-	-	-
Other Comprehensive Income and Expenditure		**-**	**-**	
Total Comprehensive Income & Expenditure		**(7,471,927)**	**7,420,671**	**(51,256)**

Corporation Statement of Financial Position as at 31 March 2026

	Note	31-Mar-26 £
Non-Current Assets		
Net defined benefit asset	13	72,000
Total Non-Current Assets		**72,000**
Current Assets		
Trade and other receivables	10	879,100
Cash and cash equivalents	11	124,576
Deferred tax asset	6	1,827
Total Current Assets		**1,005,503**
Total Assets		**1,077,503**
Current Liabilities		
Short term creditors	12	(1,006,091)
Corporation tax	6	(20,156)
Total Current Liabilities		**(1,026,247)**
Long Term Liabilities		-
Total Long-Term Liabilities		**-**
Total Liabilities		**(1,026,247)**
Net assets/(liabilities)		**51,256**
Reserves		
Usable reserves		-
Unusable reserves	14	(51,256)
Total Reserves		**(51,256)**

Corporation Statement of Financial Position as at 31 March 2026

Certification by the Interim Chief Finance Officer

I certify that the statement of accounts presents a true and fair view of the financial position of the Oxford Street Development Corporation as at 31 March 2026 and its income and expenditure for the period 1 January to 31 March 2026.

______________________________________ __30th June 2026__

Adam Barrett Date

Interim Chief Finance Officer

Oxford Street Development Corporation

Corporation Movement in Reserves Statement for the period 1 January to 31 March 2026

	Note	General Fund £	Total Usable Reserves £	Unusable Reserves £	Total Reserves £
Balance as at 1 January 2026		**-**	**-**	**-**	**-**
Movement in reserves in 2025/26					
(Surplus) or Deficit on Provision of Services		(51,256)	(51,256)	-	(51,256)
Other Comprehensive Expenditure and Income		-	-	-	-
Total Comprehensive Expenditure and Income		**(51,256)**	**(51,256)**	**-**	**(51,256)**
Adjustments between accounting basis and funding basis under regulations	*15*	51,256	51,256	(51,256)	-
(Increase)/Decrease in 2025/26		**-**	**-**	**(51,256)**	**(51,256)**
Balance as at 31 March 2026		**-**	**-**	**(51,256)**	**(51,256)**

Core Financial statements (*continued*)

Corporation Statement of Cash Flows for the period 1 January to 31 March 2026

	Note	31 March 2026
		£
Net surplus or (deficit) on the provision of services		**51,256**
Adjustment to surplus or deficit on the provision of services for non-cash movements	*16*	73,320
Adjust for items included in the net surplus or deficit on the provision of services that are investing and financing activities		-
Net cash flows from operating activities		**124,576**
Net cash flows from investing activities		-
Net cash flows from financing activities		-
Net increase or (decrease) in cash and cash equivalents		**124,576**
Cash and cash equivalents at the beginning of the reporting period		-
Cash and cash equivalents at the end of the reporting period		**124,576**

Accounting Policies 2025/26

a) Code of Practice

The Statement of Accounts summarises the Oxford Street Development Corporation ("OSDC" / "the Corporation") transactions for the period 1 January 2026 to 31 March 2026 and its position at 31 March 2026. As required by the Accounts and Audit (England) Regulations 2015, the Corporation has prepared the 2025/26 Statement of Accounts in accordance with proper accounting practices. These practices primarily comprise the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2025/26 ("the Code") and the International Financial Reporting Standards ("IFRS") as adopted in the United Kingdom.

b) Basis of Accounting

These statements cover the period 1 January 2026 to 31 March 2026, representing a three-month part-year reporting period arising from the incorporation of the Corporation on 1 January 2026.

In accordance with the Code and IAS 1 Presentation of Financial Statements:

- The reporting period is clearly disclosed because it differs from a standard twelve-month financial year.
- Comparative information is not presented because the Corporation did not exist in the prior period.

The financial statements have been prepared under the accruals concept and in accordance with the historical cost accounting convention. Where items are sufficiently significant by virtue of their size or nature, they are disclosed separately in the financial statements in order to aid the reader's understanding of the Corporation's financial performance.

Accounting Policies (*continued*)

c) Going Concern

The financial statements have been prepared on a going concern basis. The Corporation is satisfied that the OSDC has in place appropriate funding and liquidity provided by the Greater London Authority ("GLA") through a letter of support and secured funding agreements. The OSDC does not consider that there is material uncertainty in respect of its ability to continue as a going concern for the twelve months from the date of approval of the financial statements.

Funding

The OSDC's funding is agreed annually within a three-year rolling budget via the GLA's statutory budgeting process. The OSDC maintains a long-term financial plan, which is shared with the GLA. This plan provides the Corporation with a level of certainty about future funding levels, subject to ongoing review with the GLA. The OSDC has determined that there is sufficient certainty that its long-term objectives will be achieved.

d) Material Items

When items of income and expenditure are material, their nature and amount are disclosed separately, either on the face of the Comprehensive Income and Expenditure Statement ("CIES") or in the notes to the accounts, depending on how significant the items are to an understanding of the Corporation's financial performance.

Prior period adjustments may arise as a result of a change in accounting policies or to correct a material error. Such adjustments are applied retrospectively by restating prior period comparative figures, except to the extent that it is impractical to determine either the period-specific effects or the cumulative effect of the adjustment. Where restatement is impractical, the adjustment is applied to opening balances for the earliest period for which it is practicable. As this is the first period of the OSDC's operations, no prior period adjustments have arisen.

Accounting Policies (*continued*)

e) Accruals of income and expenditure

Activity is accounted for in the year that it takes place, not simply when cash payments are made or received. In particular:

- Expenditure on services is recorded when the services are received rather than when payments are made.
- Supplies are recorded as expenditure when they are consumed; where there is a gap between receipt and consumption, they are carried as inventories on the Balance Sheet.
- Interest receivable on cash deposits and investments is accounted for as income on the basis of the effective interest rate for the relevant instrument rather than the cash flows fixed or determined by the contract.
- Where revenue and expenditure have been recognised but cash has not yet been received or paid, a debtor or creditor for the relevant amount is recorded in the Balance Sheet. Where debts may not be settled, the simplified approach to measuring expected credit losses (using a lifetime expected loss allowance) is applied and any resulting impairment loss is written off to the CIES.

Accounting Policies (*continued*)

f) Government grants and contributions

Grants received

Whether paid on account, by instalments or in arrears, government grants receivable are recognised as due to the Corporation when there is reasonable assurance that:

- the Corporation will comply with the conditions attached to the grant; and
- the grant will be received.

Amounts recognised as due are not credited to the CIES until conditions attached to the grant have been satisfied. Conditions are stipulations that specify how the grant must be used and which, if not met, require the grant to be returned to the transferor.

Monies advanced as grants for which conditions have not been satisfied are carried in the Balance Sheet as creditors. When conditions are satisfied, the grant is credited to the relevant service line in the CIES (for revenue grants) or to the CIES (for capital grants).

Where capital grants are credited to the CIES, they are reversed out of the General Fund Balance in the Movement in Reserves Statement (MiRS). Where the grant has yet to be used to finance capital expenditure, it is posted to the Capital Grants Unapplied Reserve. Where it has been applied to capital expenditure, it is posted to the Capital Adjustment Account. Amounts in the Capital Grants Unapplied Reserve are transferred to the Capital Adjustment Account once applied to expenditure.

Amounts in the Capital Unapplied Reserve are transferred to the Capital Adjustment Account once they have been applied to expenditure.

Grants paid

Grants paid by the Corporation to third parties are recognised as expenditure in the CIES in the period in which the conditions for payment are met and the recipient has a valid claim. Grants paid that are subject to conditions are recognised as expenditure when those conditions have been fulfilled. Capital grants paid that do not result in the creation of a non-current asset in the Corporation's own Balance Sheet are treated as revenue expenditure funded from capital under statute (see accounting policy n).

Accounting Policies (*continued*)

g) Taxation

Corporation Tax

The Corporation is a Mayoral Development Corporation established under the Localism Act 2011. As a public body exercising statutory functions on behalf of the Mayor of London, the Corporation does not carry on a trade or business for corporation tax purposes in respect of its core public-interest activities. Accordingly, no corporation tax liability arises in respect of the period ended 31 March 2026.

To the extent that any activity of the Corporation is determined to give rise to a taxable profit (for example, incidental trading activities), the Corporation would account for any resulting liability in accordance with IAS 12 Income Taxes as interpreted by the Code and the Corporation Tax Act 2009 and Corporation Tax Act 2010. There was no such liability in the period ended 31 March 2026.

Accounting Policies (*continued*)

h) Employee Benefits

Benefits payable during employment
Short-term employee benefits are those due to be settled within twelve months of the year-end. They include salaries, other remuneration, paid annual leave and paid sick leave. These are recognised as an expense in the year in which employees render service to the Corporation. An accrual is made for the cost of holiday entitlements earned but not taken before the year-end that employees can carry forward into the next financial year. The accrual is charged to the Surplus or Deficit on the Provision of Services but then reversed out through the Movement in Reserves Statement so that holiday benefits are charged to revenue in the financial year in which the holiday absence occurs.

Termination benefits
Termination benefits are amounts payable as a result of a decision by the Corporation to terminate an officer's employment before the normal retirement date, or an officer's decision to accept voluntary redundancy. They are charged to the relevant service line in the CIES when the Corporation can no longer withdraw the offer of those benefits.

Post-employment benefits
Employees of the Corporation are members of the Local Government Pension Scheme (LGPS), administered by the London Pensions Fund Authority (LPFA). The scheme is accounted for as a defined benefit scheme in accordance with IAS 19 Employee Benefits as interpreted by the Code:

- The liabilities of the LPFA scheme attributable to the Corporation are included in the Balance Sheet on an actuarial basis using the projected unit method — that is, an assessment of the future payments that will be made in relation to retirement benefits earned to date by employees, based on assumptions regarding mortality rates, employee turnover, and projections of future earnings.
- The discount rate applied is the annualised yield at the 25-year point on the AA-rated corporate bond yield curve, selected to meet the requirements of IAS 19 with regard to the duration of the Corporation's liabilities.

The assets of the LPFA fund attributable to the Corporation are included in the Balance Sheet at fair value, as follows:

- Quoted securities – current bid price.
- Unquoted securities – professional estimate
- Unitised securities – current bid price
- Property – market value.

Accounting Policies (*continued*)

i) Employee Benefits (*continued*)

The change in the net pensions' liability is analysed into the following components:

Service cost, comprising:

- Current service cost — the increase in liabilities as a result of years of service earned in the current year, allocated to the CIES for the services in which employees worked.
- Past service cost — the increase in liabilities arising from a scheme amendment or curtailment, debited to the Surplus or Deficit on the Provision of Services as part of Non-Distributed Costs.
- Any gain or loss on settlement of a defined benefit plan; and
- Net interest expense — the change in the net defined benefit liability arising from the passage of time, charged to the Financing and Investment Income and Expenditure line of the CIES. This is calculated by applying the discount rate to the net defined benefit liability at the beginning of the period, adjusted for contributions and benefit payments made during the period.

This is calculated by applying the discount rate used to measure the defined benefit obligation at the beginning of the period to the net defined benefit liability at the beginning of the period, taking into account any changes in the net defined benefit liability during the period as a result of contribution and benefit payments.

Re-measurements comprising:

- The return on plan assets, excluding amounts included in net interest, charged to the Pensions Reserve as Other Comprehensive Income and Expenditure.
- Actuarial gains and losses — changes in the net pension liability arising because events have not coincided with actuarial assumptions or because the actuary has updated assumptions — charged to the Pensions Reserve as Other Comprehensive Income and Expenditure; and
- Any change in the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability or asset.

Accounting Policies (*continued*)

i) Employee Benefits (*continued*)

Statutory provisions require the General Fund to be charged with the amount payable to the pension fund in the year, not the amount calculated in accordance with IAS 19. In the Movement in Reserves Statement, appropriations to and from the Pensions Reserve remove the notional IAS 19 debits and credits and replace them with debits for the cash paid to the pension fund and pensioners. The resulting negative balance on the Pensions Reserve measures the beneficial impact to the General Fund of accounting for retirement benefits on a cash basis rather than as benefits are earned.

i) Fair Value Measurement

The Corporation measures financial instruments at fair value at each reporting date where required by IFRS 9 and the Code. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Fair value measurement assumes that the transaction takes place either in the principal market for the asset or liability or, in the absence of a principal market, in the most advantageous market. The Corporation uses valuation techniques appropriate in the circumstances, maximising the use of observable inputs and minimising the use of unobservable inputs.

Inputs to valuation techniques are categorised within the fair value hierarchy as follows:

- Level 1 — quoted prices (unadjusted) in active markets for identical assets or liabilities accessible at the measurement date.
- Level 2 — inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3 — unobservable inputs for the asset or liability.

OSDC held no non-financial assets measured or disclosed at fair value during the period ended 31 March 2026. The fair value hierarchy disclosures in the notes to the accounts relate solely to financial instruments.

Accounting Policies (*continued*)

j) Financial Instruments

The Corporation recognises and measures financial instruments in accordance with IFRS 9 Financial Instruments as interpreted by the Code.

Classification and measurement
Financial assets are classified at initial recognition based on the business model for managing the asset and the contractual cash flow characteristics. The Corporation primarily holds financial assets at amortised cost, as they are managed to collect contractual cash flows that represent solely payments of principal and interest.

Financial liabilities are classified as measured at amortised cost, comprising trade and other payables.

Initial recognition
All financial instruments are initially recognised at fair value. For instruments not measured at fair value through profit or loss, directly attributable transaction costs are added to the initial measurement.

Subsequent measurement
Financial assets held at amortised cost are subsequently measured using the effective interest method. Interest income, impairment losses, and gains or losses on derecognition are recognised in the Surplus or Deficit on the Provision of Services.

Financial liabilities at amortised cost are measured using the effective interest method, with interest expense recognised in the Surplus or Deficit on the Provision of Services.

Accounting Policies (*continued*)

j) Financial Instruments (*continued*)

Impairment

The Corporation applies the expected credit loss (ECL) model to financial assets measured at amortised cost. For trade receivables, the simplified approach is used, recognising lifetime expected credit losses. For other financial assets, a three-stage approach is applied based on changes in credit risk since initial recognition. At 31 March 2026, the Corporation assessed credit risk on its financial assets as low and no impairment losses were recognised.

At the reporting date, the OSDC assessed that the credit risk associated with its financial assets remained low, and no impairment losses were recognised.

k) Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature within ninety days of the date of acquisition, are readily convertible to known amounts of cash, carry an insignificant risk of change in value, and are held for the purpose of meeting short-term cash commitments rather than for investment purposes.

In the cash flow statement, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the OSDC's cash management.

Accounting Policies (*continued*)

l) Provisions, Contingent Liabilities and Contingent Assets

Provisions
Provisions are charged as an expense to the appropriate service line in the CIES in the year that the Corporation becomes aware of the obligation. They are measured at the best estimate at the Balance Sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet. Estimated settlements are reviewed at each financial year-end; where it becomes unlikely that a transfer of economic benefits will be required, the provision is reversed and credited back to the relevant service line.

Where part or all of the payment required to settle a provision is expected to be recovered from another party (for example, from an insurance claim), this is only recognised as income if it is virtually certain that reimbursement will be received if the obligation is settled.

Contingent Liabilities
A contingent liability arises where an event has taken place that gives rise to a possible obligation whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the Corporation. Contingent liabilities also arise where a provision would otherwise be made but either it is not probable that an outflow of resources will be required, or the amount cannot be measured reliably. Contingent liabilities are not recognised in the Balance Sheet but are disclosed in a note to the accounts.

Contingent Assets
A contingent asset arises where an event has taken place that gives rise to a possible asset whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the Corporation. Contingent assets are not recognised in the Balance Sheet but are disclosed in a note to the accounts where it is probable that there will be an inflow of economic benefits or service potential.

Accounting Policies (*continued*)

m) Revenue recognition

The Corporation did not enter into contracts with customers for the sale of goods or services during the period ended 31 March 2026. All income arose from government grants and contributions, which are accounted for under policy f) above.

Where income is received in advance of the conditions for recognition being met, it is carried as deferred income on the Balance Sheet until those conditions are satisfied.

n) Revenue Expenditure Funded from Capital Under Statute (REFCUS)

Expenditure incurred during the year that may be capitalised under statutory provisions but does not result in the creation of a non-current asset in the Corporation's Balance Sheet is charged as expenditure in the CIES in the year. Where the Corporation has determined to meet the cost of this expenditure from existing capital resources, a transfer in the Movement in Reserves Statement from the General Fund Balance to the Capital Adjustment Account reverses out the amounts charged. Capital grants paid to third parties that do not result in the creation of a non-current asset in the Corporation's Balance Sheet are treated in this manner.

o) Grants Payable

Grants paid by the Corporation to external recipients are recognised as expenditure in the CIES in the period in which the conditions for payment are met and the recipient has a valid entitlement to the funds. Where grants are subject to conditions, expenditure is not recognised until those conditions have been fulfilled by the recipient or the Corporation is satisfied that they will be fulfilled.

Revenue grants paid are charged to the relevant service line in the CIES. Capital grants paid to third parties that do not result in a non-current asset on the Corporation's own Balance Sheet are treated as revenue expenditure funded from capital under statute (see accounting policy n).

p) Value Added Tax

VAT Registration Status

The Corporation is not registered for Value Added Tax ("VAT"). Prior to and during the period ended 31 March 2026, the Corporation submitted an application to HM Revenue & Customs ("HMRC") for designation under Section 33 of the Value Added Tax Act 1994 ("VATA 1994"). As at 31 March 2026, and as at the date of approval of these accounts, HMRC's response to the application remains awaited.

Mayoral Development Corporations are not automatically entitled to Section 33 status. Such status must be sought through a formal application to HMRC, which the OSDC has submitted. Until designation is formally granted by HMRC, the Corporation does not have the legal basis to recover any VAT.

Accounting Treatment — Current Period

As the Corporation is not VAT-registered and does not hold Section 33 designation during the period ended 31 March 2026, all VAT incurred on the Corporation's expenditure is irrecoverable. Accordingly:

- income and expenditure in the Comprehensive Income and Expenditure Statement are stated inclusive of irrecoverable VAT where applicable
- irrecoverable VAT on revenue expenditure is charged in full to the relevant service line in the CIES
- no VAT amounts have been excluded from income or expenditure in anticipation of a future recovery under a Section 33 designation.

The Corporation has no VAT output liability and is not required to submit VAT returns to HMRC during the period. The Corporation does not account for VAT on income received, as its income in the period comprises government grants, which fall outside the scope of VAT.

Accounting Policies (*continued*)

q) Related Party Transactions

The Corporation discloses material transactions with related parties — bodies or individuals that have the potential to control or influence the Corporation or to be controlled or influenced by it. Related parties include the Greater London Authority (the Corporation's sponsor body and principal funder), members of the Corporation's board, and key management personnel.

Disclosure is made of the nature of the relationship, the types of transaction, and the amounts involved where they are material to an understanding of the Corporation's financial position or performance. Transactions with related parties that are undertaken in the normal course of business at arm's length terms are not required to be individually disclosed but are included in aggregate disclosures where material.

r) Reserves

The Corporation maintains the following reserves:

General Fund
The General Fund represents the revenue resources of the Corporation available to meet the cost of services. Statutory adjustments are made through the Movement in Reserves Statement to ensure the General Fund is charged with the amounts the Corporation is statutorily required to account for, rather than the amounts determined by proper accounting practices under the Code.

Capital Grants Unapplied Reserve
The Capital Grants Unapplied Reserve holds capital grants and contributions received that have been recognised in the CIES but have not yet been applied to finance capital expenditure. Amounts are transferred to the Capital Adjustment Account once applied to qualifying expenditure.

Capital Adjustment Account
The Capital Adjustment Account absorbs the timing differences arising from the different arrangements for accounting for the consumption of non-current assets and for financing the acquisition, construction or enhancement of those assets under statutory provisions.

Accounting Policies (*continued*)

r) Reserves (*continued*)

Pensions Reserve
The Pensions Reserve absorbs the timing differences arising from the different arrangements for accounting for post-employment benefits and for funding benefits in accordance with statutory provisions. The negative balance on the reserve measures the beneficial impact on the General Fund of accounting for retirement benefits on the basis of cash flows rather than as benefits are earned by employees.

Short-term accumulating compensated absences account (STACA)
The Short-term accumulating compensated absences account absorbs the differences that would otherwise arise on the General Fund balance from accruing for compensated absences earned but not taken in the year, e.g. annual leave entitlement carried forward at 31 March. Statutory arrangements require that the impact on the General Fund balance is neutralised by transfers to or from the account.

s) Events After the Reporting Period

Events occurring between the Balance Sheet date and the date the financial statements are authorised for issue are considered. Adjusting events (providing evidence of conditions existing at the Balance Sheet date) result in adjustments to the statements; non-adjusting events are disclosed where material. The date of authorisation for issue is disclosed in the notes.

t) Accounting Standards Issued but Not Yet Adopted

The Code requires disclosure of the expected impact of accounting changes issued but not yet adopted by the Code. At the date of authorisation, no such changes are expected to have a material impact on the Corporation's 2026/27 statements.

u) Judgements and Sources of Estimation Uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenditure. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised in the period in which the estimate is revised.

The areas involving the most significant judgements and estimation uncertainty are as follows:

- Defined benefit pension obligations (Note 13) The present value of the Corporation's obligations under the Local Government Pension Scheme is determined by independent actuarial valuation. This requires a number of assumptions including the discount rate, rates of inflation, salary growth, and member life expectancy. These assumptions are set out in Note 13(ii). A reasonably possible change in any one assumption could materially affect the reported liability or asset. The sensitivity of the defined benefit obligation and projected service cost to changes in the principal assumptions is disclosed in Note 13e.
- Accrued employee benefits — untaken annual leave (Note 14) An accrual is made at the year-end for the cost of annual leave entitlement earned but not taken by employees. The value of this accrual requires estimation of outstanding leave balances and the applicable daily pay rates. The balance at 31 March 2026 is £20,744 and is held in the Short-term accumulating compensated absences account. within unusable reserves (Note 14).

Notes to the financial statements

Area / Note	Description
Expenditure and Funding Analysis (EFA) & Related Notes	
Note 01:	Expenditure and funding analysis (EFA)
Note 01a:	Adjustments for revenue items reported below Net Cost of Services
Comprehensive Income & Expenditure Notes	
Note 02:	Gross income
Note 03:	Gross expenditure
Note 04:	Financing and investment income and expenditure
Note 05:	Taxation and non-specific grant income
Note 06:	Corporation Tax
Note 07:	Grant Income
Note 08a:	Remuneration Band
Note 08b:	Senior Officer Remuneration
Note 08c:	Board Members' Remuneration
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Note 09:	External Audit fees
Balance Sheet – Asset Notes	
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Note 11:	Cash and cash equivalents

Notes to the financial statements (*continued*)

Area / Note	Description
Balance Sheet – Liability Notes	
Note 12:	Trade and other payables
Note 13:	Pensions
	(i) Life expectancy from age 65 (years)
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Note 13a:	Amounts charged to the Comprehensive Income and Expenditure Statement
Note 13b:	Reconciliation of present value of the defined benefit obligation
Note 13c:	Reconciliation of fair value of fund assets
Note 13d:	Local Government Pension Scheme assets comprised:
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Usable and Unusable Reserves	
Note 14:	Reserves
Note 15:	Adjustment between Funding & Accounting
Cash Flow Statement Notes	
Note 16:	Cash flow - Operating Activities (Detail)
Other Disclosures	
Note 17:	Related party transactions
Note 18:	Capital expenditure and financing

Note 01: Expenditure and funding analysis (EFA)

	Net Expenditure in the Comprehensive Income and Expenditure Statement £	Adjustments for revenue items reported below Net Cost of Services (Note 1a) £	Net Expenditure Chargeable to the General Fund Balances £
Subjective analysis			
Corporation	(51,256)	-	(51,256)
Net Cost of Services	**(51,256)**	**-**	**(51,256)**
Other income and expenditure	51,256	(51,256)	-
Surplus or deficit	**-**	**(51,256)**	**(51,256)**

Note 01a: Adjustments for revenue items reported below Net Cost of Services

	IAS19 Pension Adjustment	Short-term accumulating compensated absences account	Capital Adjustment Account	Total Adjustments
	£	£	£	£
Subjective analysis				
Corporation	-	-	-	-
Net cost of services	**-**	**-**	**-**	**-**
Other Income from the funding analysis	(72,000)	20,744	(2,660,000)	(2,711,256)
Other expenditure from the funding analysis			2,660,000	2,660,000
Differences between General Fund (surplus) or deficit and CIES (surplus) or deficit	**(72,000)**	**20,744**	**-**	**(51,256)**

Note 02: Gross Income

Income	**2025/26** **£**
GLA Income	(4,809,100)
Other Income	-
Total Income	**(4,809,100)**

Note 03: Gross Expenditure

Expenditure	**2025/26** **£**
Employee Costs	282,318
Consultancy and Professional Fees	787,691
Supplies and Services	40,486
Transfer Payments*	6,290,000
Total Expenditure	**7,400,495**

**Transfer payments (£6.29m) represent funding provided to delivery partners (including TfL) to support capital projects and programme delivery.*

Note 04: Financing and Investment Income and Expenditure

	31 March 2026 £
Interest payable and similar charges	20
Net interest on the net defined benefit liability (asset)	(1,000)
Total	**(980)**

Note 05: Taxation and non-specific grant income and expenditure

	31 March 2026 £
Capital grants and contributions	(2,660,000)
Total	**(2,660,000)**

Notes to the financial statements (*continued*)

Note 06: Corporation Tax

	31 March 2026 £
Tax - FRS 102	
Current Tax:	
UK corporation tax on profit for the period	20,156
Total current tax	**20,156**
Deferred tax:	
Origination and reversal of timing differences	(1,827)
Total deferred tax	**(1,827)**
Total tax per income statement	**18,329**
The charge for the year can be reconciled to the profit per income statement as follows:	
Profit for the period	**51,257**
Tax on profit at standard UK tax rate of 25% (2025 25.00%)	12,814
Effects of:	
Expenses not deductible	670,515
Income not taxable	(665,000)
Tax charge for the period	**18,329**
Income tax expense reported in the income statement	**18,329**

Notes to the financial statements (*continued*)

Note 06: Corporation Tax (*continued*)

	31 March 2026 £
NOTE TO THE ACCOUNTS - BALANCE SHEET	
Current liabilities:	
Corporation tax	20,156
	20,156
Deferred tax (assets) / liabilities:	
Deferred tax charge to income statement for the period	(1,827)
	(1,827)

Note 07: Grant Income

Grant income credited to taxation and non-specific grant income and expenditure	31 March 2026 £
Capital grants and Contributions	2,660,000
Total Taxation and Non-Specific Grant Income	**2,660,000**

Grant income credited to Services	31 March 2026 £
GLA Grant	4,809,100
Total Credited to Services	**4,809,100**

Note 08a: Remuneration Band

In accordance with the CIPFA Code of Practice, the following table discloses the number of OSDC employees whose total annualised remuneration in the year was £50,000 or more (excluding employer's pension contributions).

As required by the Code, the table is grouped in rising bands of £5,000 with only those bands that have one or more employees shown. The table below also includes the Senior Employees' remuneration.

Remuneration band			**Number of employees**
			2025/26
£ 50,000	-	£54,999	-
£ 55,000	-	£59,999	-
£ 60,000	-	£64,999	6
£ 65,000	-	£69,999	-
£ 70,000	-	£74,999	-
£ 75,000	-	£79,999	-
£ 80,000	-	£84,999	1
£ 85,000	-	£89,999	1
£ 90,000	-	£94,999	-
£ 95,000	-	£99,999	-
£ 100,000	-	£104,999	-
Total			**8**

Note 08b: Senior Officer Remuneration

The table below details the total remuneration of senior employees for the year. In line with the CIPFA Code, individuals are named only if their annualised gross salary – including fees and allowances – is £150,000 or more.

		Note	Salary (incl fees and allowances)	Expenses	Total	Employer pension contribution	Total incl pension contr.
			£	£	£	£	£
Chief Executive	Nabeel Khan	*1*	15,332	**-**	**15,332**	1,595	**16,926**
Director Strategy & Policy			21,602	**-**	**21,602**	2,247	**23,848**
Director of Built Environment		*2*	11,312	**-**	**11,312**	-	**11,312**

Secondees		
Acting Chief Executive	*3*	
Interim Deputy Chief Executive		
Interim Chief Finance Officer		

Note

1. *Chief Executive - Nabeel Khan started on 23/02/2026, the annualised salary is £200,000.*
2. *Director of Built Environment started on 18/03/2026.*
3. *The Acting Chief Executive - Philip Graham left the corporation on 22/02/2026.*

Note 08c: Board members' remunerations

		Note	Gross Salary	Expenses	Pension contribution	Total remuneration
			£	£	£	£
Chair	Scott Parsons		6,554	-	-	**6,554**
Board Member / Chair Planning Committee	Dr Margaret Casely-Hayford CBE		3,871	-	-	**3,871**
Board Member / Chair Audit & Risk Committee	Emir Feisal JP		3,871	-	-	**3,871**
Board Member	Es Devlin CBE		3,059	-	-	**3,059**
Board Member / Audit & Risk Committee Member	Keith Edelman		3,465	-	-	**3,465**
Board Member	Asma Khan		3,059	-	-	**3,059**
Board Member	Caroline Rush CBE		3,059	-	-	**3,059**
Board Member / Audit & Risk Committee Member	Kate Willard OBE		3,465	-	-	**3,465**
Board Member	Howard Dawber OBE	*1*	-	-	-	**-**
Board Member / WCC	Cllr Geoff Barraclough	*2*	-	-	-	**-**
Board Member / WCC	Cllr Adam Hug	*3*	-	-	-	**-**
Board Member / LBC	Cllr Richard Olszewski	*4*	-	-	-	**-**

Note

1. *Howard Dawber OBE – Unremunerated.*
2. *Cllr Geoff Barraclough – Unremunerated.*
3. *Cllr Adam Hug – Unremunerated.*
4. *Cllr Richard Olszewski – Unremunerated.*

Note 08d: Termination payments

The code requires the separate disclosure of the number and cost of compulsory and voluntary severance termination packages agreed during the year. There were no compulsory or voluntary severance termination packages agreed during the year.

Note 09: External Audit fees

	31 March 2026 £
Auditors' remuneration:	
Fees payable to external auditors with regard to external audit services carried out by the appointed auditor	20,000
Fees payable in respect of services provided by the appointed auditor over and above external audit services	
Additional Audit Fees	
Total	**20,000**

Notes to the financial statements (*continued*)

Note 10: Trade and other receivable

The following table sets out the OSDC's short term debtors at the end of the reporting period:

	31 March 2026 £
Amounts falling due within one year	
Debtor (GLA)	879.100
Other entities and individuals	-
Total current trade and other receivables	**879,100**

Note 11: Cash and cash equivalents

	31 March 2026 £
Cash in hand and at bank	124,576
Other deposits	-
Total cash and cash equivalents	**124,576**

Note 12: Trade and other payables

The following table sets out the OSDC's short term creditors at the end of the reporting period:

	31 March 2026 £
Amounts falling due within one year	
Creditor (GLA)	(510,904)
Functional bodies	(333,460)
Central government	(24,694)
Local government	(24,205)
Other entities and individuals	(112,828)
Total current trade and other payables	**(1,006,091)**

Note 13: Pensions

Local Government Pension Scheme

The Corporation provides the opportunity for its employees to participate in the Local Government Pension Scheme. The LGPS is administered by the London Pensions Fund Authority (LPFA) and is a defined benefit statutory scheme where the scheme rules define the benefits independently of the contributions payable and the benefits are not directly related to the investments of the scheme. The LGPS is triennially valued in accordance with the provisions of the Local Government Pension Scheme Regulations (2013).

(i) Life expectancy from age 65 (years)

	31 March 2026
Mortality assumptions:	
Longevity at 65 for current pensioners:	
Men	21.5
Women	24.4
Longevity at 65 for future pensioners:	
Men	23.1
Women	26.1

Note 13: Pensions (continued)

(ii) Financial assumptions

	31 March 2026 %
Rate of inflation (RPI)	3.25%
Rate of increase in salaries	3.95%
Rate of increase in pensions (CPI)	2.95%
Rate for discounting scheme liabilities	6.30%

Note 13a: Amounts charged to the Comprehensive Income and Expenditure Statement

	31 March 2026 £'000
Service cost	(60)
Administration expenses	-
Total included in net cost of services	**(60)**
Net interest on the defined liability	(1)
Total included in deficit on provision of services before tax	**(61)**
Remeasurement of the net defined benefit asset / liability	-
Total	**(61)**

Note 13b: Reconciliation of present value of the defined benefit obligation

	31 March 2026 £'000
Opening defined benefit obligation	-
Current service cost	1
Interest cost	2
Change in financial assumptions	(10)
Change in demographic assumptions	-
Experience gain/(loss) on defined benefit obligation	-
Liabilities extinguished/(assumed) on settlements	164
Estimated benefits paid net of transfers in	-
Past service costs, including curtailments	-
Contribution by Scheme participants	10
Closing defined benefit obligation	**167**

Note 13c: Reconciliation of fair value of fund assets

	31 March 2026 £'000
Opening fair value of fund assets	-
Interest on assets	3
Return on assets less interest	(10)
Other actuarial gains/(losses)	-
Administration expenses	-
Contributions by employer including unfunded	11
Contribution by Scheme participants	10
Estimated benefits paid plus unfunded net of transfers in	-
Settlement prices received	225
Closing fair value of fund assets	**239**

Note 13c: Reconciliation of fair value of fund assets (*continued*)

The amount included in the Balance Sheet arising from the Corporation's asset/(obligation) in respect of its defined benefit plans is as follows:

	31 March 2026 £'000
Present value of the defined benefit obligation	167
Fair value of fund assets	239
Deficit/(Surplus)	**(72)**
Impact of asset ceiling	-
Net defined benefit liability / (asset)	**(72)**

Note 13d: Local Government Pension Scheme assets comprised:

	31 March 2026	
	%	**£'000**
Employer asset share - bid value		
Equities	53%	128
Target return portfolio	21%	50
Infrastructure	12%	28
Property	10%	25
Cash	3%	8
Total	**100%**	**239**

Note 13e: Sensitivity analysis:

	31 March 2026		
	Increase in Assumption +0.1%	Increase in Assumption 0.0%	Increase in Assumption -0.1%
	£	£	£
Adjustment to discount rate			
Present value of total obligation	160	167	174
Projected service cost	12	14	17
Adjustment to long term salary increase			
Present value of total obligation	167	167	167
Projected service cost	14	14	14
Adjustment to pension increases and deferred revaluation			
Present value of total obligation	174	167	160
Projected service cost	17	14	12
Adjustment to life expectancy assumptions			
Present value of total obligation	170	167	164
Projected service cost	15	14	13

Note 14: Reserves

General Fund

	31 March 2026 £
General Fund	-
Balance on usable reserves at 31 March	**-**

Unusable reserves

	31 March 2026 £
Pension reserve	(72,000)
Short-term accumulating compensated absences account.	20,744
Capital adjustment account	-
Balance on unusable reserves at 31 March	**(51,256)**

Note 14: Reserves (*continued*)

Pension reserve

The Pensions Reserve absorbs the timing differences arising from the different arrangements for accounting for post-employment benefits and for funding benefits in accordance with statutory provisions. OSDC accounts for post-employment benefits in the Comprehensive Income and Expenditure Statement as the benefits are earned by employees accruing years of service, updating the liabilities recognised to reflect inflation, changing assumptions and investment returns on any resources set aside to meet the costs. However statutory arrangements require benefits earned to be financed as the OSDC makes employee contributions to pension funds or eventually pays any pension for which it is directly responsible. The debit balance on the Pensions Reserve therefore shows a shortfall in the benefits earned by past and current employees and the resources that the OSDC has set aside to meet them. The statutory arrangements will ensure that funding will have been set aside by the time the benefits come to be paid.

	31 March 2026 £
Balance as at 1 January	-
Remeasurements of the net defined benefit liability/asset	-
Deferred tax (asset) on the net defined benefit liability	-
Reversal of charges relating to retirement benefits	(61,000)
Employer’s pension contribution and direct payments to pensioners payable in the year	(11,000)
Balance at 31 March	**(72,000)**

Note 14: Reserves (*continued*)

Short-term accumulating compensated absences account

The Short-term accumulating compensated absences account absorbs the differences that would otherwise arise on the General Fund balance from accruing for compensated absences earned but not taken in the year, e.g. annual leave entitlement carried forward at 31 March. Statutory arrangements require that the impact on the General Fund balance is neutralised by transfers to or from the account.

	31 March 2026 **£**
Balance as at 1 January	-
Settlement or cancellation of accrual made at the end of the preceding year	-
Amounts accrued at the end of the current year	20,744
Amount by which officer remuneration charged to the CIES on an accruals basis is different from remuneration chargeable in year in accordance with statutory requirements	-
Balance at 31 March	**20,744**

Note 14: Reserves (*continued*)

Capital adjustment account

The Capital Adjustment Account absorbs the timing differences arising from the different arrangements for the consumption of non-current assets and for financing the acquisition, construction, or enhancement elements of those assets under statutory provisions. The account is debited with the cost of acquisition, construction or enhancement as depreciation, fair value movements and amortisations are charged to the Comprehensive Income and Expenditure Statement. The account is credited with the amounts set aside by the Corporation for the costs of acquisition, construction, and enhancement.

	31 March 2026 £
Balance as at 1 January	-
Reversal of items relating to capital expenditure debited or credited to the Comprehensive Income and Expenditure Statement:	
Revenue expenditure funded from capital under statute (REFCUS)	(2,660,000)
Capital financing applied in the year:	
Application of grants to capital financing from the capital grants unapplied account	2,660,000
Balance at 31 March	**-**

Note 15: Adjustments between Accounting Basis and Funding Basis under Regulations

2025/26	Usable Reserves		Unusable Reserves	*Corresponding Unusable Reserves*
	General Fund Balance	Capital Grants Unapplied		
	£	£	£	
Adjustments to Revenue Resources				
Amounts by which income and expenditure included in the CIES Statement differ from increases / decreases in revenue for the year calculated in accordance with statutory requirements:				
● Pensions costs (transferred to (or from) the Pensions Reserve)	72,000		72,000	*Pensions Reserve*
● Holiday pay (transferred to/(from) the Accumulated Absences Reserve)	(20,744)		(20,744)	*STACA*
● Reversal of entries included in the Surplus or Deficit on the Provision of Services in relation to capital expenditure (these items are charged to the Capital Adjustment Account)	(2,660,000)	-	(2,660,000)	*Capital Adj Account*
Adjustments between Revenue and Capital Resources				
● Capital grants and contributions unapplied credited to the Comprehensive Income and Expenditure Statement	2,660,000	(2,660,000)	-	*Capital Adj Account*
Adjustments to Capital Resources:				
● Application of capital grants to finance capital expenditure		2,660,000	2,660,000	*Capital Adj Account*
Total Adjustments	**51,256**	**-**	**51,256**	

Note 16: Operating Activities (Detail)

	Note	31 March 2026 £
Net (surplus) or deficit on the provision of services		51,256
Adjust net surplus or deficit on the provision of services for non-cash movements		
(Increase) / decrease in trade and other receivables		(879,100)
Increase / (decrease) in trade and other payables		1,006,091
Corporation tax		20,156
Deferred tax asset		(1,827)
Movement in pension liability		(72,000)
Adjust net surplus or deficit on the provision of services for non-cash movements		**73,320**
Adjust for items included in net surplus or deficit on the provision of services that are investing / financing activities		
Any other items for which the cash effects are investing or financing cash flows		-
Net Cash Flows from Operating Activities		**124,576**
Investing Activities		-
Financing Activities		-
Net (increase) or decrease in cash and cash equivalents		**124,576**
Cash and cash equivalents at the beginning of the reporting period		-
Cash and cash equivalents at the end of the reporting period		**124,576**

Note 17: Related party transactions

The Corporation is required to disclose material transactions with related parties – bodies or individuals that have the potential to control or influence the Corporation or to be controlled or influenced by the Corporation. Disclosure of these transactions allows readers to assess the extent to which the Corporation might have been constrained in its ability to operate independently or might have secured the ability to limit another parties ability to bargain freely with the Corporation.

The related parties to the Corporation are:

- central government
- other public bodies (including the Greater London Authority and other local authorities)
- its Members and Executive Management Team.

Central government and other public bodies – income and expenditure

All relationships were as delivery partners to the Corporation and significant transactions for the period 1 January to 31 March 2026 were as follows:

	31 March 2026 £
Income	
Greater London Authority *(see Note 7)*	(7,469,100)
Expenditure	
Functional Bodies of the GLA	159,774

Notes to the financial statements (*continued*)

Note 17: Related party transactions (*continued*)

Members and executive management team

Members of the Corporation have direct control over the Corporation's financial and operating policies. The total of members' allowances paid in the year is shown in Note 8c. Members and the Executive Management Team were required to complete a declaration regarding any related party transactions with the Corporation. There were no disclosures by Members or the Executive Management Team in the year under the related party transactions declaration.

Note 18: Capital Expenditure and Financing

	31 March 2026 £
Opening Capital Financing Requirement	-
Capital Investment in year:	
REFCUS - Payment to TfL	2,660,000
Sources of Finance:	
Government grants and other contributions	(2,660,000)
Closing Capital Financing Requirement at 31 March	**-**
Explanation of movements in year:	
Opening Capital Finance Requirement	-
Increase / (decrease) in underlying need to borrow	-
Closing Capital Financing Requirement at 31 March	**-**

Annual Governance Statement

The OSDC's governance responsibilities and framework

The Oxford Street Development Corporation is a Mayoral Development Corporation (MDC), established on 1 January 2026, under the provisions of the Localism Act 2011. Its fundamental purpose is to lead the transformation of Oxford Street and to drive economic growth for London by providing the strategic focus, leadership and the long-term planning the street urgently needs.

The OSDC is responsible for conducting its business in accordance with the law and proper standards; safeguarding and properly accounting for public money; and using resources economically, efficiently and effectively. It must publish an Annual Governance Statement (AGS) that reflects how, in the previous financial year, it has discharged this responsibility.

The OSDC's governance framework is consistent with the principles of the 2016 Chartered Institute of Public Finance and Accountancy (CIPFA)/Solace document, 'Delivering Good Governance in Local Government'. This AGS has been prepared in reference to that document.

The governance framework describes the systems and processes, culture, and values by which the OSDC is directed and controlled; and the activities through which it is accountable to its stakeholders and communities, and how it monitors the achievements of its strategic objectives and provides value for money. It ensures that the OSDC directs its resources towards its priorities and in accordance with policies; there is sound and inclusive decision-making; and there is clear accountability to achieve sustainable outcomes.

The system of internal control is a significant part of that framework and is designed to manage risk effectively. It cannot eliminate all risk of failure to achieve policies, aims and objectives and therefore can only provide reasonable and not absolute assurance of effectiveness. The systems of internal control are based on a continuous process designed to identify and prioritise risks, to evaluate the likelihood and potential impact of those risks being realised, and to mitigate and manage them efficiently, effectively and economically.

The governance framework has been in place at the OSDC since 1 January 2026 and up to the date of approval of the statement of Accounts. The draft AGS will be published first on 30 June 2026 and will be updated to reflect any changes needed as a result of the Final Audited Accounts.

Board and committees

The OSDC's Board and Committees operate within the governance and openness framework prescribed by the Local Government Act 1972 which includes a requirement for public meetings and rights of attendance by the press and public. The OSDC holds its Board and Committee meetings in public, except when confidential, personal or financial information or matters containing exempt information are being discussed. These items are marked on the agenda.

The OSDC has clear provisions to ensure timely yet transparent decisions when urgent matters arise. An extraordinary Board meeting may be convened by the Chair or by at least one-third of Members, with less than five clear days' notice permitted where necessary, provided the reasons for urgency are stated in the notice. Where a report is not available at the time the agenda is published, a supplementary agenda will be issued as soon as possible; items published on less than five clear working days' notice are treated as urgent business. Decisions are then taken in accordance with the law, the Standing Orders and (where applicable) the Scheme of Delegations, using majority voting with a casting vote for the Chair where required. All urgent decisions and the rationale for urgency are recorded in the minutes and confirmed at the next suitable meeting, supporting transparency and accountability. The OSDC's Scheme of Delegation allows for urgent action to be taken by the Chair of the Board, Chairs of other committees or the Chief Executive Officer in defined circumstances, namely where a decision is required urgently and it is not possible or practicable to convene a meeting of the Board or relevant Committee. In addition, the Chief Executive Officer may exercise these powers where the Chair is unavailable, and the matter gives rise to reputational, financial or legal risk to the Corporation.

For the year ended 31 March 2026, the OSDC's statutory committee structure was as follows:

OSDC Board – formally established on 7 January 2026

The purpose of the OSDC Board is to ensure the efficient and effective discharge of the Corporation's functions and to deliver the Mayor's ambitions for Oxford Street. It provides strategic leadership, sets the organisation's aims and values, makes decisions in line with law and governance requirements, oversees performance and risk, and ensures that the financial and human resources necessary to achieve the OSDC's objectives are in place. The Board also monitors delivery of the OSDC's programme, ensures high standards of corporate governance, and prepares key documents such as the annual budget and annual report for submission to the Mayor and London Assembly.

Finance, Risk and Audit Committee (FRAC) – formally established on 27 February 2026

The purpose of the OSDC Finance, Risk and Audit Committee is to support and advise the OSDC Board on all matters related to financial management, governance, risk oversight and internal control. It provides independent scrutiny of the Corporation's financial administration, annual accounts, audit processes, and risk management systems, ensuring effective internal controls, transparency, and good governance. The Committee also oversees internal and external audit activity, monitors corporate performance and risk reporting, and ensures appropriate arrangements are in place for investigating concerns and maintaining robust governance across the organisation.

The FRAC will have its first formal meeting on 22 June 2026. Terms of Reference for the FRAC were approved at the OSDC Board meeting on 7 January 2026.

Planning Committee – formally established on 27 February 2026

The OSDC Planning Committee exists to guide the next stage of Oxford Street's transformation by overseeing major planning decisions, shaping future planning policy, and promoting high-quality, sustainable and inclusive design. Its role is to ensure that development along Oxford Street supports a vibrant, revitalised environment that benefits Londoners, visitors and local businesses. Its membership and operating governance remain subject to Board and Mayoral approvals (to be presented at the OSDC Board meeting on 18 June 2026).

Subject to those approvals, the Planning Committee is expected to hold its first formal meeting in Summer 2026.

Annual Governance Statement (*continued*)

Attendance at statutory Board and committee meetings from 1 January 2026 – 31 March 2026 by members is shown below (please note that the Finance, Risk and Audit Committee and the Planning Committee had not met during this period):

OSDC Board Meetings	
Total number of meetings in the Period	**3 meetings – 7 January 2026, 27 February 2026, 24 March 2026.**
	Attendance
Scott Parsons	3
Penny Bagnall-Smith[1]	2
Cllr Geoff Barraclough[2]	2
Dr Margaret Casely-Hayford CBE	3
Dee Corsi (ex officio member)	3
Howard Dawber OBE	2
Es Devlin CBE	1
Keith Edelman	3
Emir Feisal	2
Cllr Adam Hug	3
Asma Khan	2
Cllr Richard Olszewski	2
Caroline Rush CBE	3
Kate Willard OBE	3

[1] Penny Bagnall-Smith because a OSDC Board member on 27 February 2026.
[2] Cllr Geoff Barraclough became a OSDC Board member on 27 February 2026.

Annual Governance Statement (*continued*)

Working Groups – formally established 27 February 2026

For the year ended 31 March 2026, the OSDC Board also convened three non-statutory working groups to enable a sustained strategic focus and Board members' engagement on key aspects of the OSDC programme of activities. These groups have no decision-making powers and aim to provide strategic input into key workstreams.

Design and Place-Making Working Group

The purpose of the Design and Place Making Working Group is to provide strategic input on areas including public realm design and street management and operations.

Commercial and Events Working Group

The purpose of the Commercial and Events Working Group is to provide strategic input on areas including brand and marketing, advertising and income generation, fundraising, live events and activations, brand partnerships, curation of the retail/hospitality offer and tourism promotion.

Stakeholder Engagement Working Group

The purpose of the Stakeholder Engagement Working Group is to provide strategic input on areas including stakeholder mapping, relationship management, consultation and engagement.

Annual Governance Statement (*continued*)

Key governance documents – approved by the OSDC Board in the period from 1 January 2026 – 31 March 2026

Document	Brief Description
Standing Orders	The OSDC Standing Orders set out the rules, procedures and governance standards that regulate how the Board and its committees conduct meetings, make decisions and uphold transparency and accountability.
Governance Direction	The Governance Direction sets out the rules the OSDC must follow when making important decisions, ensuring the Mayor of London has proper oversight. It explains which decisions the OSDC must consult the Mayor on, which ones need the Mayor's formal approval, and how the OSDC should submit these requests. Overall, it makes sure the OSDC is transparent, accountable, and aligned with wider GLA governance requirements.
Code of Conduct for Members	The Code of Conduct for Members sets out expectations for standards of behaviour. Members are defined as members of the OSDC Board, committees or sub-committees.
Scheme of Delegation	The OSDC Scheme of Delegation sets out who within the organisation can make which decisions, defining the roles, limits and approvals required to ensure transparent, accountable and properly authorised governance.
Scheme of Planning Delegations	The Scheme of Planning Delegations sets out arrangements to discharge its planning responsibilities through delegation to the Planning Committee and planning officers.
Financial Regulations	The OSDC's Financial Regulations set out the rules, responsibilities and controls that ensure the Corporation manages public money with integrity, transparency and value for money.
Contracts and Funding Code	The OSDC Contracts and Funding Code sets out the rules, approvals and processes for procuring goods, works and services, awarding grants and sponsorship, and managing contracts to ensure legal compliance, transparency and value for money in the use of public funds.
Whistleblowing Policy	The OSDC Whistleblowing Policy provides a clear, confidential and accessible process for staff, Members, partners and others to report concerns about wrongdoing in the public interest—such as fraud, health and safety risks, or breaches of law—while ensuring those who speak up are protected from detriment and that all concerns are taken seriously, investigated properly, and addressed in a way that strengthens the organisation's governance and integrity.

Annual Governance Statement (*continued*)

Separation of the OSDC's functions protocol, to ensure we maintain an appropriate separation between the OSDC's statutory planning and infrastructure delivery functions. This means that we can maintain an unfettered planning process that takes transparent planning decisions based on planning policy.

These documents have all been in place since 7 January 2026 when they were approved by the OSDC Board at their first meeting.[3] These documents are available on the OSDC website.

The OSDC continues to keep its governance arrangements under review and updated to ensure that the OSDC's structures and decision-making processes remain appropriate for the organisation.

A Staff Code of Conduct and other people management policies are published on the OSDC's internal Shared Files site and issued to staff as part of their induction process and upon request.

Decision-making

The organisation maintains a structured and transparent decision-making framework, supported by clear financial thresholds and a formal Scheme of Delegation. Decisions are routed to the appropriate level of authority to ensure proportionality and oversight: Heads of Service may approve expenditure up to £75k, Directors up to £250k, and the Chief Executive up to £500k. Decisions above this threshold, or those with strategic or sensitive implications, are reserved for the Board. All limits apply to the total contract value, ensuring whole-life financial consideration.

Decisions deemed strategic, novel, contentious or repercussive are escalated to the OSDC Board for enhanced scrutiny. This includes decisions with material implications for governance, finances, statutory duties, operations or public impact. By requiring Board involvement—and where appropriate, Mayoral consultation or consent, as specified in the OSDC Governance Direction —the organisation ensures that high-risk, reputationally sensitive or precedent-setting matters receive appropriate rigour and transparency.

[3] Apart from the OSDC Whistleblowing Policy which is due to be approved by the FRAC on 22 June 2026.

Annual Governance Statement (*continued*)

The OSDC Board retains responsibility for core governance functions, including:

- approval of the annual budget, business plan, annual report and accounts;
- adoption or amendment of standing orders, financial regulations and the Scheme of Delegation;
- high-value procurement and commercial agreements exceeding £500k;
- major statutory decisions, including planning policy, compulsory purchase orders, land transactions and corporate structure changes.

This ensures decisions of strategic significance are taken collectively, with full visibility of risks, impacts and statutory considerations.

In line with the OSDC Governance Direction, certain decisions require the Mayor to be consulted or to provide formal consent. These include major design choices for the public realm, significant commercial partnerships, high-value grants, disposals at below best consideration, and unplanned expenditure not within the approved budget. This mechanism strengthens alignment with wider strategic priorities and enhances accountability across the public sector governance landscape.

Where urgent action is required and a Board meeting cannot be convened, the Chair may approve decisions, with the CEO empowered to act only where the Chair is unavailable and immediate action is needed to mitigate legal, financial or reputational risk. All such decisions are reported retrospectively to the Board, ensuring transparency and ongoing accountability.

All decisions follow a standardised documentation and review process involving Governance, Finance and Legal advisers. Decision forms are required for spending, procurement and governance matters above defined thresholds, supporting auditability, consistent assurance and clear decision trails. Routine spend below £5k or within agreed budget lines do not require formal approval, but procurements above £25k are subject to full legal and procurement requirements, supporting value for money and compliance with statutory obligations. Decision forms are considered and signed off at weekly Executive Committee meetings.

Information governance

The OSDC has strong arrangements in place to promote good information governance across its services, including a Head of Strategy, Policy and Governance and a Principal Governance and Programme Assurance Officer leading on Information Governance for the organization. We abide by the GLA's and TfL's policies and procedures and work closely with the GLA Information Governance team to share knowledge and best practices.

Risk management, fraud, and corruption

The OSDC's risk management processes are based on embedding risk management in all aspects of its work programmes and ensuring that programme wide and project risks are identified, quantified, mitigated and monitored effectively.

Risks are reported by each Directorate through the quarterly reporting process and discussed with the Interim Chief Finance Officer[4] and the Chief Executive Officer. This approach provides a more integrated method of risk management, enabling the identification of strategic risks for each Directorate. These strategic risks are included in OSDC's quarterly reports and reviewed by the FRAC and the Board.

During Q1 2026-27, FRAC will be asked to approve the following policies:

- The OSDC Anti-Fraud and Corruption Policy - the OSDC's Anti-Fraud and Corruption Policy sets out the organisation's zero-tolerance approach to fraud, bribery and corruption, and the measures in place to prevent, detect and respond to wrongdoing. It defines key risks and responsibilities, establishes clear processes for reporting and investigating suspected incidents, and outlines the sanctions and recovery actions available where fraud is identified. The policy is supported by a Fraud Response Plan, which provides a structured approach to managing and investigating allegations and strengthening controls to prevent recurrence.

[4] Please note that the Interim Chief Finance Officer is known as the Director of Finance and Corporate Services within the OSDC organisational structure.

- The OSDC Whistleblowing Policy – the OSDC's Whistleblowing Policy outlines the Corporation's approach to preventing, detecting and addressing fraud, corruption and related misconduct. It sets clear expectations for staff and partners, identifies key fraud risks, and defines roles and responsibilities for maintaining strong internal controls. The document also includes a Fraud Response Plan, which establishes the procedures for reporting concerns, investigating allegations and taking appropriate disciplinary, legal and recovery action, as well as strengthening systems to reduce future risk.

The Anti-Fraud and Corruption Policy and the Whistleblowing Policy will be shared with the FRAC at its first formal meeting on 22 June 2026.

Systems

The OSDC operates within the Information Technology Shared Service (ITSS) delivered by TfL, using the same core IT platforms and operational model as other organisations within the OneLondon IT estate (Greater London Authority (GLA), Old Oak and Park Royal Development Corporation (OPDC), OSDC, Mayor's Office for Policing and Crime (MOPAC) and London Legacy Development Corporation (LLDC). This provides OSDC with a mature, enterprise-scale technology environment without needing to maintain standalone systems and is available to use both on site and remotely.

Through ITSS, the OSDC receives centrally managed services including end user devices, Microsoft 365, hosting, networks, and day to day technical support, while retaining its own organisational identity such as email addresses and branding.

Cyber security for all services provided via ITSS is delivered in line with TfL's established security policies, processes, and controls, including monitoring and incident response provided through TfL's Security Operations Centre (SOC). Where the OSDC uses services hosted within the GLA Digital Estate, the GLA retains responsibility for cyber security for those specific systems.

This shared service model supports greater coordination, joint working, information sharing and standardisation across the GLA Group, including the GLA, Transport for London (TfL), OPDC, LLDC and the OSDC. It enables consistent approaches to technology, cyber security and data management, while also facilitating collaboration across organisational boundaries.

Equity, Diversity and Inclusion

The OSDC is committed to embedding equality, diversity and inclusion across all aspects of its work, including planning, design, stakeholder engagement, communications, economic development and corporate services. Public realm proposals are informed by Equality Impact Assessments (EqIAs), consultation feedback and inclusive design principles, ensuring that interventions deliver tangible accessibility benefits while mitigating adverse impacts on people with protected characteristics.

Equity, Diversity and Inclusion (EDI) is embedded in the OSDC's recruitment practices. The OSDC is a Disability Confident employer and adheres to the GLA Group's EDI-related policies. The Mayor's Equality, Diversity and Inclusion Strategy states that the GLA Group will recruit or appoint to non-executive boards and advisory panels in a way that better reflects London's diversity.

The recruitment processes for the CEO, all permanent/fixed term contract staff, and members of the OSDC Board required candidates to complete a diversity monitoring form. The OSDC welcomed applications for all its roles and activities from individuals regardless of ethnicity, religion, sexual orientation, gender, social background, age or disability. Further information on the Mayor's Equality, Diversity and Inclusion Strategy is available here.

The work led by TfL highlights that creating more pedestrian space, reducing traffic, minimising crowding and improving safety will particularly support disabled people, older people, children, pregnant women and groups who walk more frequently, while new level surfaces, seating, improved lighting, CCTV and accessible bus stops will further enhance inclusive access. At the same time, the OSDC will work with partners to address concerns about changes to bus and taxi access—especially for disabled people and those with sensory impairments—through measures such as enhanced real-time travel information, clear communication in accessible formats, investigating shop-mobility options and applying inclusive design guidance as a core principle throughout all public realm proposals.

Annual Governance Statement (*continued*)

Financial and legal controls compliance

The OSDC's financial arrangements conform to the governance requirements of the CIPFA statement on the Role of the Chief Financial Officer in Local Government:

- The Chief Finance Officer of the OSDC (designated in accordance with Section 127 of the Greater London Authority Act 1999) is Adam Barrett, Interim Chief Finance Officer and is a Chartered Public Finance Accountant (CPFA) and a member of the Chartered Institute of Public Finance and Accountancy,
- The Chief Finance Officer is a member of the Executive Team and attends all Board and committee meetings. They prepare the budget and corporate plan, lead internal review processes, and are party to all material business decisions. Financial implications are considered for all Board papers and sign-off is required above the thresholds specified in the Scheme of Delegations.
- The Chief Finance Officer is also responsible for financial controls, corporate programme management, performance measurement and supporting the FRAC's work (including internal audit).
- The Chief Finance Officer is supported by a suitably qualified team which provides support on budget monitoring, financial and taxation management, and which includes an Interim Head of Finance and Interim Senior Accountants, as well as external advisors (e.g. tax advisors, internal and external auditors) when required.

The OSDC ensures compliance with relevant laws and regulation through a shared service with TfL, for legal and procurement services. Legal advice is required for all significant decisions. All contracts entered into by the OSDC must also be approved by the TfL legal team. Legal advice is also sought on Request to Sign forms (RTS) if the project is novel, contentious or repercussive.

We ensure compliance with other legislation (e.g. employment) through the policies, procedures and practices of the relevant OSDC team. Policies are approved by the Executive Team following consultation where relevant and available for employees on the OSDC's SharePoint.

Although the OSDC is not required to prepare a Section 25 statement, as good practice we have performed a self-assessment of the OSDC's current capability against the CIPFA principles of good financial management. This self-assessment has been presented to the FRAC as a part of the assurance supporting this annual report.

Annual Governance Statement (*continued*)

Overall, based on the above, the Chief Finance Officer confirms the OSDC's commitment to complying with the CIPFA Financial Management Code and has implemented practices to uphold the principles and standard outlined within it.

Finance, Risk and Audit Committee, Internal Audit and External Audit

The FRAC raises the profile of internal control and risk management controls within the OSDC through its consideration of corporate performance, risk and finance reports, which is then reported to the OSDC's Board.

The FRAC also requests information on any specific areas of concern and can asks the OSDC's Internal Auditors to review particular areas of risk and periodically undertake deep-dive reviews. The first meeting of the FRAC took place on 22 June 2026 and the meeting papers can be found here.

The MOPAC was appointed as the OSDC's internal auditors as part of the Mayor's shared service agenda. The internal auditors work is reported to and monitored and reviewed by FRAC. The internal audit plan, which is approved by FRAC each year, includes individual audits on activities identified as areas of risk. OSDC's progress against internal audit recommendations and risk management framework will be monitored regularly and reported to FRAC. MOPAC also carry out follow up reports on previously completed audits.

Greater London Authority Corporate Governance

The OSDC is a functional body of the GLA and complies with its annual budget process, engages with the London Assembly and its committees as required and also fulfils the requirements of any Mayoral directions given. There is an on-going dialogue with the Mayor's Office to ensure that the activities of the OSDC are aligned with the Mayor's policy framework priorities.

The OSDC complies with the requirements of the GLA Group Corporate Governance Framework agreement, and the GLA Use of Resources guidance to ensure that common standards and procedures, in relation to governance and transparency are in place and appropriately adhered to.

Meeting development needs of members and staff

The OSDC is a new organisation that has undergone rapid growth over a short period. Recognising that staff are central to the OSDC's success, the Corporation has prioritised developing organisational capacity and capability. This has included strengthening the induction programme and ensuring that all staff have access to appropriate training and development opportunities, enabling them to perform effectively in their roles.

The OSDC induction training offer includes the following modules:

- Cyber Security
- Fire Safety
- Health and Safety at Work
- Freedom of Information
- Privacy and Data Protection
- Bribery Act
- Neurodiversity and Disability Awareness
- Conscious Inclusion at Work
- OSDC Governance Overview
- Finance for Non-Finance Managers
- Public Sector Equality Duty
- Responsible Procurement
- Inclusive Recruitment.

Annual Governance Statement (*continued*)

Members of the FRAC and Planning Committee also need to feel confident in their roles, so the OSDC has prioritised the effective onboarding of new Board and Committee members. FRAC members participated in a two-hour risk management development session delivered by Zurich, aimed at strengthening organisational understanding of risk and increasing confidence in the tools and methodologies used across the Corporation. The session covered key risk management principles, global and local risk context, methodology, common pitfalls, and the importance of risk culture and appetite. It was highly interactive, using scenarios and discussion to embed learning, and the content was tailored to ensure consistent messaging and alignment with the Corporation's governance framework. A training session will also be delivered to Planning Committee members in June 2026, to strengthen understanding of the planning process and the statutory framework within which planning decisions are made.

Engagement and partnerships

The OSDC recognises that the transformation of Oxford Street can only be successful if it is shaped through meaningful engagement with a wide range of stakeholders, including local communities, businesses, landowners, statutory bodies, accessibility and inclusion specialists, and those who use, visit, work in and move through the area.

As the Corporation prepares to take on its planning functions, engagement is being embedded both in the delivery of the public realm programme and in the establishment of the OSDC as an open, responsive and effective Local Planning Authority. This includes early dialogue with applicants and landowners, structured engagement with local communities, and close working with WCC, LBC, TfL, the GLA and other key partners. The OSDC's approach is intended to support transparent decision-making, early identification of key issues, and high-quality outcomes for Oxford Street and the wider Mayoral Development Area.

Accessibility and Inclusive Design

Accessibility and inclusion are a priority for the regeneration of Oxford Street. The nation's high street must be a world-class place that is attractive and inclusive and welcomes all Londoners. The OSDC are working with disability advisory groups and accessibility specialists already who will be helping to shape the scheme. This is vital to ensure that the needs of disabled and less mobile Londoners are understood and embedded into any of the proposals for Oxford Street.

Annual Governance Statement (*continued*)

The OSDC and design teams are working closely with a range of accessibility and inclusion specialists, including the Mayor's Design Advocates, the Independent Disability Advisory Group (IDAG), the Built Environment Access Panel (BEAP), and TfL.

The OSDC met with TfL's IDAG on two occasions to review the developing plans for the public realm and further sessions will be planned for April 2026. The OSDC Public Realm team are also working with Mayors Design Advocate, James Lee, who is part of the London Review Panel for Oxford Street. He is also a member of IDAG. The OSDC undertook a design review with the BEAP on the 25 March 2026.

Design Quality

The OSDC has worked closely with the Mayor's Design Advocates (MDAs) to embed and maintain high design quality across the Oxford Street Transformation Programme. MDAs are independent experts who provide oversight to ensure the delivery of high-quality buildings and public spaces that benefit all Londoners.

A Design Champion and a dedicated Design Review Panel have been established to provide strategic, independent, client-side advice and scrutiny throughout the programme. Their role is to support the client team in embedding design quality at all stages, fostering collaboration between design teams, and ensuring alignment with the programme's ambition to deliver a world-class, inclusive, and vibrant destination.

Design Champion

The OSDC has appointed Sowmya Parthasarathy (MDA) as client-side Design Champion for the programme.

Objectives:

- Ensure design excellence across all stages of the Oxford Street transformation
- Support collaboration between design teams and consultants to achieve consistency across all design strands
- Provide independent, expert advice to the client team
- Embed inclusive and sustainable design principles aligned with the Mayor's priorities

Annual Governance Statement (*continued*)

Responsibilities:

- Act as client-side advisor on design quality
- Facilitate collaboration between design teams
- Represent design quality in key governance forums
- Provide strategic input on balancing commercial and placemaking objectives.

London Review Panel

Complementing the Design Champion role, a tailored panel of MDAs has been convened from the London Review Panel, selected for their expertise in public realm, sustainability, accessibility and inclusion, safety, high streets, heritage, and conservation.

The Design Champion participates in design reviews, advising on briefing priorities and setting agendas to ensure focus on key design issues.

Core Panel:

- Adam Brown (Chair) – Transport & Infrastructure
- Jayden Ali – Culture
- James Lee – Inclusive Design & Accessibility
- Fiona Scott – High Streets

Panel Guests:

- Angeli Gannoo-Fletcher – Landscape
- Sophia Ceneda – Sustainability
- Regine Kandan – Heritage

In January 2026, a comprehensive induction was delivered, including a site tour, programme overview, and stakeholder introductions, ensuring the Design Champion and panel were fully briefed.

Following this, formal design reviews were undertaken:
- January 2026: Review of RIBA Stage 1 proposals from both design teams
- February 2026: Review of transitional proposals

Additional MDA Support

Further MDA expertise has been integrated into the programme:
- James Lee (MDA) has provided ongoing client-side advice on inclusive design, including participation in design reviews with IDAG and BEAP.
- Daisy Froud (MDA) has supported early youth engagement, working with the GLA Peer Review Group and the Lynk Up Crew.

Design and Placemaking Working Group

To ensure coordination across the programme, some of the MDA's are also part of the Design and Placemaking Working group including Sowmya Parthasarathy, Adam Brown and Jaden Ali.

Community Review Group (CRG)

The OSDC will be establishing a Community Review Group (CRG) to provide a structured forum through which community perspectives and local insight can inform OSDC's planning and place-shaping work.

The CRG will operate in an advisory capacity, providing community insight and advice to the OSDC in its role as the Local Planning Authority. It will help ensure that development proposals and emerging planning policy take account of the experience and priorities of people who live, work, visit, and study in the area. The CRG brings community perspectives to discussions on development proposals, public realm and place-making issues within the OSDC area.

Annual Governance Statement (*continued*)

The Community Review Group will not replace statutory consultation, assessment or decision-making processes. Instead, it will provide an additional and valuable source of community insight to support better-informed planning, design and place-making outcomes within the OSDC area.

<u>Women, and girl's and gender diverse safety</u>

To support this work, the OSDC is progressing the procurement of a Women's Safety Audit for Oxford Street. The audit will help build a stronger understanding of different experiences of safety along the street and gather qualitative and quantitative insight to inform the ongoing design and management of the public realm.

Creating a street that is safe, welcoming and inclusive for all users is a key priority for the programme and an important consideration within the design development process.

Oxford Street is used by a wide range of audiences and experiences of safety can vary significantly depending on factors including gender, age, disability, ethnicity and socio-economic background. In particular, women and girls often experience public spaces differently, and perceptions of safety can strongly influence how and when and whether people choose to use a public place or space. Understanding these experiences is therefore critical to ensuring that the design of the future public realm responds to the needs of diverse users.

The audit is expected to explore issues including lighting, seating, greening, shading, wayfinding, inclusive design, accessibility, public art, evening and night-time activity, anti-social behaviour, feelings of welcome and belonging, and the role of management and stewardship. Engagement activities will seek to capture the perspectives of a diverse range of users of Oxford Street, including women and girls of different ages and backgrounds, gender-diverse and LGBTQ+ communities, local residents and workers, and visitors and tourists. The work will also consider perspectives from organisations involved in the management of safety in the area, including Business Improvement Districts, policing partners and private security providers.

The findings will inform design development and provide practical recommendations to improve the experience of users and support the creation of a safer, more welcoming and inclusive Oxford Street.

Annual Governance Statement (*continued*)

Stakeholder Engagement Plan

The OSDC have taken on a communications agency, LCA who are working closely with the Director of Planning and the External Affairs function to develop and deliver a stakeholder engagement plan.

Stakeholder Engagement Working Group

The OSDC Board approved the establishment of three non-statutory Working Groups to enable a sustained strategic focus and Board members' engagement on key aspects of the OSDC programme activities. One of these non-statutory working groups is the Stakeholder Engagement Working Group which provides strategic oversight and input on areas including: stakeholder mapping, relationship management, consultation and engagement. Kate Willard OBE was appointed as lead for this Working Group.

Approach to engagement in the exercise of planning functions

As the incoming Local Planning Authority (LPA) for the MDA, the OSDC recognises that engagement in the exercise of its planning functions must be transparent, proportionate and clearly distinguished from its wider delivery role. The OSDC planning service will support early and constructive engagement, clear communication, and robust decision-making, while maintaining the independence and integrity of the statutory planning process. The OSDC LPA will engage constructively with applicants, landowners, statutory consultees, neighbouring authorities, local communities, amenity groups, and other stakeholders. This will include meaningful pre-application engagement where appropriate, early identification of key planning issues, and timely involvement of relevant technical consultees. The Corporation will also work closely with WCC, the LBC, TfL and other relevant bodies to support an effective transition of planning responsibilities and coordination on cross-boundary, highways, heritage, public realm, infrastructure and environmental matters.

Until the OSDC has prepared its own Local Plan and Statement of Community Involvement, it will take a pragmatic and collaborative approach, drawing on existing statutory requirements, relevant adopted development plan policies and good practice. Engagement responses and technical advice will be considered as part of the assessment of planning applications and, where relevant, reported through officer reports and Planning Committee processes. This approach will support a planning service that is open, accessible, coherent and focused on securing high-quality outcomes for Oxford Street.

Annual Governance Statement (*continued*)

Significant governance developments

From a governance perspective, the OSDC has made substantial progress within a short period. The Corporation was formally established on 1 January 2026 and held its first Board meeting on 7 January 2026. The OSDC Board comprises 12 members, and 3 Board meetings have taken place between 1 January 2026 and 31 March 2026. In addition, the FRAC and the Planning Committee were formally constituted on 27 February 2026. Since their establishment, the Board and its committees have approved a range of key governance documents, which are referenced throughout this Annual Governance Statement.

Review of effectiveness of internal control

As part of the AGS, all members of the Senior Leadership Team are required to confirm that proper governance and internal control arrangements are in place for their Directorates. To ensure this is documented efficiently an assurance statement was used across the Senior Leadership Team. The assurance statement also allows Directorates to identify any significant areas of concern or weakness within each Directorate. This underpins the 2025/26 AGS.

The feedback from the statements received show that there are no significant weaknesses or concerns in the Corporation's governance and control framework.

Annual Governance Statement (*continued*)

2025-26 action plan

No.	Area to improve	Actions	Timescales
1	Workforce Report	Conduct a workforce report and incorporate other key strategic documents	Quarter 1
2	Adoption of Letters of Delegations	Circulate Letters to directorates – outlining and confirming delegated authority limits	Quarter 1
3	Governance Framework	A review and refresh of the Corporation's Governance documents, ensuring they are up to date and aligned with practice at the GLA	Quarter 2
4	Adoption of updated Risk Management Framework	Implementing the new Risk Management Framework across the organisation	Quarter 3
5	Implementation of Board Effectiveness Review	Implement recommendations following the Board Effectiveness Review	Quarter 3
6	Corporate Plan	Review and implement a new Corporate Plan	Quarter 4
7	Continue to enhance the internal control environment	Continuous enhancement and review of budgeting and financial quarterly reporting	Quarter 4

Annual Governance Statement (*continued*)

Conclusion and disclosure

The Oxford Street Development Corporation (OSDC) has established core governance arrangements during the period from 1 January 2026 to 31 March 2026, including the creation of its Board, committees, key governance documents and supporting control processes. These arrangements provide an appropriate foundation for the effective oversight and delivery of the Corporation's functions.

This Annual Governance Statement has been informed by a review of governance arrangements in place during the period, including management assurances and available evidence. Based on this review, no material governance failures have been identified. However, it is recognised that the OSDC is at an early stage of organisational maturity, and that many governance, risk management and assurance processes have only recently been established and are not yet fully embedded or tested over a sustained period.

Accordingly, while the existing framework is considered appropriate for the Corporation's current stage of development, further work is required to embed and strengthen governance arrangements. Priorities for 2026–27 include the continued development of the Finance, Risk and Audit Committee, the implementation of a risk management framework, the delivery of a programme of internal audit activity, and the further enhancement of financial and performance management arrangements.

The OSDC is committed to maintaining and improving its governance framework in line with the CIPFA/SOLACE principles of good governance and will continue to review its arrangements to ensure that they remain effective, proportionate and fit for purpose as the organisation evolves.

Scott Parsons **(on behalf of the OSDC Board)**

__30th June 2026__
Date

Nabeel Khan **OSDC Chief Executive Officer**

__30th June 2026__
Date

Glossary of Terms

Accruals basis
The accruals principle is that income is recorded when it is earned rather than when it is received, and expenses are recorded when goods or services are received rather than when the payment is made.

Actuarial gains and losses
Actuaries assess financial and non-financial information provided by OSDC to project levels of future pension fund requirements. Changes in actuarial deficits or surpluses can arise leading to a loss or gain because events have not coincided with the actuarial assumptions made for the last valuation; and/or the actuarial assumptions have changed.

Balances
The balances of OSDC represent the accumulated surplus of income over expenditure on any of the funds.

Capital Adjustment Account
The account accumulates (on the debit side) the write-down of the historical cost of fixed assets as they are consumed by depreciation and impairments or written off on disposal. It accumulates (on the credit side) the resources that have been set aside to finance capital expenditure. The same process applies to capital account thus represents timing differences between the amount of the historical cost of fixed assets that has been consumed and the amount that has been financed in accordance with statutory requirements.

Capital expenditure
This is expenditure on the acquisition of a fixed asset, or expenditure, which adds to, and not merely maintains, the value of an existing fixed asset. Capital financing charges This is the annual charge to the revenue account in respect of interest and principal repayments and payments of borrowed money, together with leasing rentals.

Glossary of Terms (*continued*)

Capital receipts
Income received from the sale of land or other capital assets, a proportion of which may be used to finance new capital expenditure, subject to the provisions contained within the Local Government Act 2003.

Carrying amount
The Balance Sheet value recorded of either an asset or a liability.

CBE, MBE, and OBE
CBE refers to the Commander of the Order of the British Empire award; MBE refers to the Member of the Order of the British Empire award and OBE to the Officer of the Order of the British Empire award.

Chartered Institute of Public Finance and Accountancy (CIPFA)
CIPFA is the leading professional accountancy body for public services.

Contingent liabilities or assets
These are amounts potentially due to or from individuals or organisations which may arise in the future but which at this time cannot be determined accurately, and for which provision has not been made in.

Creditors
Amounts owed by OSDC for work done, goods received, or services rendered, for which payment has not been made at the date of the Balance Sheet.

Glossary of Terms (*continued*)

Current service cost
Current service cost is the increase in the present value of a defined benefit pension scheme's liabilities expected to arise from employee service in the current period, i.e. the ultimate pension benefits 'earned' by employees in the current year's employment.

Curtailment
Curtailments will show the cost of the early payment of pension benefits if any employee has been made redundant in the previous financial year.

Debtors
These are sums of money due to OSDC that have not been received at the date of the Balance Sheet.

Defined benefit scheme
This is a pension or other retirement benefit scheme other than a defined contribution scheme. Usually, the scheme rules define the benefits independently of the contributions payable and the benefits are not directly related to the investments of the scheme. The scheme may be funded or unfunded (including notionally funded).

Defined contribution scheme
A defined contribution scheme is a pension or other retirement benefit scheme into which an employer pays regular contributions as an amount or as a percentage of pay and will have no legal or constructive obligation to pay further contributions if the scheme does not have sufficient assets to pay all employee benefits relating to employee service in the current and prior periods. Ministry of Housing, Communities and Local Government (MHCLG) A department of central government with an overriding responsibility for determining the allocation of general resources to local authorities.

Glossary of Terms (*continued*)

Depreciation
This is the measure of the wearing out, consumption, or other reduction in the useful economic life of a fixed asset.

Exceptional items
Material items deriving from events or transactions that fall within the ordinary activities of OSDC, but which need to be separately disclosed by virtue of their size and/ or incidence to give a fair presentation of the accounts.

External audit
The independent examination of the activities and accounts of local authorities to ensure the accounts have been prepared in accordance with legislative requirements and proper practices and to ensure OSDC has made proper arrangements to secure value for money in its use of resources.

Expenditure
This is amounts paid by OSDC for goods received or services rendered of either a capital or revenue nature. This does not necessarily involve a cash payment since expenditure is deemed to have been incurred once the goods or services have been received even if they have not been paid for.

Fair value
Fair value is the price at which an asset could be exchanged in an arm's length transaction, less any grants receivable towards the purchase or use of the asset.

Finance lease
A finance lease is a lease that transfers substantially all of the risks and rewards of ownership of a fixed asset to the lessee.

Glossary of Terms (*continued*)

Financial instruments
A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another. The term 'financial instrument' covers both financial assets and financial liabilities and includes both the most straightforward financial assets and liabilities such as trade debtors and trade payables and the most complex ones such as derivatives and embedded derivatives.

Financial regulations
These are the written code of procedures approved by OSDC, intended to provide a framework for proper financial management. Financial regulations usually set out rules on accounting, audit, administrative and budgeting procedures.

Fixed assets
Assets that yield benefits to OSDC and the services it provides for a period of more than one year. Examples include land, buildings, and vehicles.

General fund
This is the main revenue fund of OSDC and includes the net cost of all services financed by Government and other trading income.

Impairment
A reduction in the value of a fixed asset below its value brought forward in the Balance Sheet. Examples of factors which may cause such a reduction in value include general price decreases, a significant decline in a fixed asset's market value and evidence of obsolescence or physical damage to the asset.

Glossary of Terms (*continued*)

Income
These are amounts due to OSDC for goods supplied or services rendered of either a capital or a revenue nature. This does not necessarily involve a cash payment. Income is deemed to have been earned once the goods or services have been supplied even if the payment has not been received (in which case the recipient is a debtor to OSDC).

Intangible fixed assets
These are fixed assets that do not have physical substance but are identifiable and controlled by OSDC. Examples include software, licenses, and patents.

International Financial Reporting Standard (IFRS)
Defined Accounting Standards that must be applied by all reporting entities to all financial statements in order to provide a true and fair view of the entity's financial position, and a standardised method of comparison with financial statements of the other entities.

Leasing costs
This is where a rental is paid for the use of an asset for a specified period of time. Two forms of lease exist: finance leases and operating leases.

Liabilities
These are amounts due to individuals or organisations which will have to be paid at some time in the future. Current liabilities are usually payable within one year of the Balance Sheet date.

Net Realisable Value (NRV)
NRV is the open market value of the asset in its existing use (or open market value in the case of non-operational assets) less the expenses to be incurred in realising the asset.

Glossary of Terms (*continued*)

Operating lease
This is a type of lease, usually of computer equipment, office equipment, furniture, etc. where the balance of risks and rewards of holding the asset remains with the lessor. The asset remains the property of the lessor, and the lease costs are revenue expenditure to OSDC.

Provisions
Amounts set aside to meet liabilities or losses which it is anticipated will be incurred but where the amount and/or the timing of such costs is uncertain.

Related parties
Related parties are central government, other Local Authorities, subsidiary and associated companies, Members, and all Executive Management Team members. For individuals identified as related parties, the following are also presumed to be related parties:

- members of the close family, or the same household, and
- partnerships, companies, trusts, or other entities in which the individual, or member of their close family or the same household, has a controlling interest.

Reporting standards
Expenditure incurred during the year that may be capitalised under statutory provision but that does not result in the creation of a non-current asset that has been charged as expenditure to the Comprehensive Income and Expenditure Statement.

Reserves
Amounts set aside for general contingencies, to provide working balances or earmarked to specific future expenditure.

Revenue expenditure
Expenditure incurred on the day-to-day running of OSDC. This mainly includes employee costs, general running expenses, and capital financing costs.