

**Date:** 13 October 2016

**Item:** Tottenham Court Road West Over Site Development

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**This paper will be considered in public**

**1 Summary**

- 1.1 On 30 July 2015 the Finance and Policy Committee granted Project Authority to enable completion of the shell and core of the oversite development (OSD) above the new Crossrail station at Tottenham Court Road West (TCRW) using the current station contractor, Laing O'Rourke (LOR). This paper seeks an increase in Project Authority, due to additional costs being identified following further design development.
- 1.2 A paper is included on Part 2 of the agenda which contains exempt supplementary information. It is exempt by virtue of paragraph 3 of Schedule 12A of the Local Government Act 1972 in that it concerns information relating to the business affairs of TfL.

**2 Recommendation**

- 2.1 **The Committee is asked to note the paper and the supplemental information on Part 2 of the agenda and approve an increase in Project Authority for the sum set out in the supplemental paper on Part 2 of the agenda.**

**3 Background**

- 3.1 The OSD at TCRW, which is located at the junction of Dean Street and Oxford Street, has planning consent for 92 residential apartments in two buildings.
- 3.2 At TCRW there is an opportunity to complete the OSD before the station opens, by agreeing a variation to the main station contract with the existing station contractor Laing O'Rourke to construct the shell and core of the OSD. This will permit the early construction of the OSD and the completion of the surrounding urban realm by December 2018. This is the only delivery option available to achieve the completion of the shell and core and external envelope of the OSD within this timeline.
- 3.3 On 30 July 2015, the Finance and Policy Committee approved Project Authority for the construction of the shell and core of the OSD simultaneous with the fit out and commission of the station. The 30 July 2015 Finance and Policy Committee paper is attached at Appendix 1. This sets out the detailed reasoning and analysis for the original decision and, at Section 4, a comparison of the options available.
- 3.4 As a result of subsequent design development, construction cost inflation and following negotiation of the contract variation with the intended contractor, LOR, it

is now necessary to seek an increase in the amount of Project Authority above that previously granted, for the reasons set out in the supplemental paper on Part 2 of the agenda.

#### **4 Further Sale and Development Options**

- 4.1 A further decision, on whether TfL will sell the site on completion of the shell and core or fit out and complete the development, will need to be made at a later stage.
- 4.2 Further market analysis is being undertaken to determine how to procure the OSD fit out and manage the sales and marketing of the development.

#### **List of appendices to this paper:**

Appendix 1 - Finance and Policy Committee paper from 30 July 2015

A paper on Part 2 of the agenda contains exempt supplementary information

#### **List of Background Papers:**

None

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