

LONDON BOROUGH OF CAMDEN	WARDS: Camden Town, Regents Park, St Pancras and Somers Town, Bloomsbury
REPORT TITLE Future Locally Led Development Corporation for Euston (SC/2025/63)	
REPORT OF Leader of the Council	
FOR SUBMISSION TO Cabinet	DATE 12 th November 2025
STRATEGIC CONTEXT <p>We Make Camden is our joint vision for the borough, developed in partnership with our community. These proposals contribute to We Make Camden by supporting a strong, sustainable and inclusive local economy through regeneration of the Euston area. This regeneration will also support making Camden a green, clean, vibrant, accessible and sustainable place via place shaping and design that centres these aims.</p> <p>The Way We Work is the Council's response to We Make Camden. Any Development Corporation in Euston will be informed by extensive consultation and engagement with residents and businesses, recognising the Council's commitment to working with communities to deliver priorities.</p> <p>The London Growth Plan identifies life sciences as one of the critical sectors for the capital's economy and establishes Euston and the Knowledge Quarter as a priority location for future growth. This is also consistent with the priorities and key growth sectors set out in the government's national industrial strategy. Any Development Corporation in Euston should reflect those ambitions and aim to unlock this significant economic opportunity, with cross-London working in partnership with the Mayor of London playing a key role.</p>	
SUMMARY OF REPORT <p>This report provides a summary of work to date on potentially establishing a Locally Led Development Corporation for the Euston area and seeks member approval of our direction of travel and on its design, including geographical area, governance, powers, and funding.</p> <p>This report is coming to the Cabinet because establishing a Development Corporation represents a significant change in the governance of the Euston area, and a transfer of powers away from London Borough of Camden (LBC) to enable a cohesive approach to ensuring communities are at the heart of a new approach to delivery at Euston through a Development Corporation. Funding mechanisms are also likely to impact LBC's wider funding strategy.</p>	

Local Government Act 1972 – Access to Information

The following document(s) has been used in the preparation of this report:

No documents that require listing were used in the preparation of this report.

Contact Officer:

Mary Ann Lewis, 5 Pancras Square, London N1 4AG, 02079741339, mary-ann.lewis@camden.gov.uk

Rebecca Hardy, 5 Pancras Square, London N1 4AG, 02079742720, rebecca.hardy@camden.gov.uk

RECOMMENDATIONS

Cabinet is asked to authorise the Executive Director Investment, Place and Opportunity to take all operational actions to develop the case for Euston Locally Led Development Corporation (LLDC) and formal consultation materials for further Cabinet consideration designed around the framework of Visioning Principles set out in Section 3 of the Report

Signed:



Date: 31st October 2025

1. CONTEXT AND BACKGROUND

- 1.1. Since 2011, the Council has worked to mitigate the impacts of the High Speed Rail Two (HS2) line at Euston and secure positive outcomes for the community, focusing on inclusive growth and new housing. Camden has produced the Euston Area Plan to set out clear expectations from new development above and around the station, and lobbied for assurances as part of the HS2 parliamentary process.
- 1.2. The Council has advocated for collaborative working across all the delivery organisations - HS2, Network Rail (NR), Transport for London (TfL), Department for Transport (DfT) and their development partner Lendlease alongside the Council, Greater London Authority (GLA) and Ministry for Housing and Local Government (MHCLG) to ensure a coordinated and integrated approach to redevelopment. As a result, the Leader and Chief Executive have a seat on the Euston Partnership Board, allowing advocacy on the issues that matter most to the communities and holding the delivery bodies to account.
- 1.3. However, despite improvements in coordination post the 2020 Oakervee review into HS2, which led to the establishment of the Euston Partnership organisation, station designs were still being produced in isolation and costs had escalated. In October 2023, the previous Government announced an intention to establish a delivery company (now the Euston Delivery Company) to deliver redevelopment of Euston station, and the potential for some kind of Development Corporation to support the regeneration of the surrounding area (Network North, 2023). This report also flagged the aim to secure private financing for the HS2 station and to reduce the station's scope. DfT is establishing a Euston Delivery Company (EDC) to address historic delivery challenges at Euston and ensure the successful delivery of the Euston Campus¹.
- 1.4. The current Government has reinforced this ambitious approach at Euston, highlighting in their 10 Year Infrastructure Strategy (2025) plans to establish a Euston Delivery Company to oversee private finance and proposals for the station, and "grow a commercial and life sciences core around the station; and deliver affordable housing and regeneration in the surrounding area". This is echoed in the London Growth Plan; a ten-year ambition jointly developed by the Mayor and London's boroughs to deliver London's contribution to national growth.
- 1.5. The Strategy also highlights the potential for the Development Corporation to bolster the Euston Housing Delivery Group (EHDG) by transforming the stations and transport facilities to support wider regeneration. The EHDG was established by the MHCLG to advise ministers and local leaders on "an ambitious housing and regeneration initiative for Euston" and deliver 'exemplary placemaking'.

¹ This will comprise the new HS2 station, an upgraded Network Rail station and enhancements to the London Underground station and local transport facilities, along with a significant level of development.

- 1.6. To respond to these Government strategies, the Council secured additional resources to explore what types of Development Corporation could be set up at Euston, and which would benefit the area and local communities the most. Development Corporations are statutory bodies set up to facilitate development in areas that need substantial co-ordination of investment and planning. Camden recommends establishing a Locally Led Development Corporation (LLDC), which would be developed in partnership with the Mayor and Greater London Authority (GLA), with Camden as the oversight authority.
- 1.7. Whilst the primary legislation for the establishment of a Locally Led Development Corporation was set out in the Levelling up and Regeneration Act 2023 (LURA 2023), secondary legislation is required to commence the LURA 2023 provisions and set out how the oversight authority will oversee the LLDC. Officers understand that MHCLG expects to lay this legislation in 2026. The statutory consultation for the proposed Euston LLDC could not be launched before this legislation is passed.
- 1.8. Camden officers have been developing a proposal for what a Locally Led Development Corporation (LLDC) for the Euston area could look like. This report sets out the policy thinking to date, and seeks agreement to continue to develop the case and the formal consultation materials for a Euston LLDC.

2. PROPOSAL AND REASONS

- 2.1. Euston represents a nationally significant regeneration project with the capacity to deliver major economic, housing and community benefits. The Euston Area Regeneration Economic Impact Assessment estimates that the regeneration of Euston Station and certain immediate surroundings² could contribute £41bn to the UK economy by 2053. Work is underway to more accurately quantify the economic impacts of successful regeneration.
- 2.2. There is a strategic case for intervening to regenerate Euston. There are multiple complex barriers to overcome, such as fragmented governance, low stakeholder trust, strategic and delivery uncertainty, and funding gaps. A development vehicle could overcome these barriers by consolidating governance and rebuilding stakeholder and community trust, providing clear strategic direction and delivering on the ground, and securing and utilising funding. The strategic case for intervention is detailed in Appendix 1.
- 2.3. The Council, working closely with GLA, is proposing to establish an LLDC at Euston to establish oversight and coordination of the complex regeneration projects in the area. The Council believes that a Development Corporation would ensure that the community and place are at the heart of decision making, and development is integrated and coordinated with wider regeneration potential at Euston to maximise the economic opportunity.

² Euston station, Maria Fidelis side, Regent's Park Estate sites, and Royal Mail site

- 2.4. Given the strategic opportunities at Euston, Camden officers are working closely with the GLA to consider how an LLDC could work at Euston and how to ensure the Mayor's London leadership role is reflected in the set up and governance of the LLDC. An LLDC, established in collaboration with GLA, is considered to be the best fit for Euston, subject to the necessary legislation. This is explored in further detail in section 3. However, the priority remains delivering regeneration in Euston, and if an MDC is judged to be the better delivery vehicle, Camden will work in partnership with GLA to deliver this.
- 2.5. There are multiple benefits that could be realised from regeneration:
- 2.5.1. **Economic growth** driven by a globally significant innovation cluster, including national leaders in biomedical and pharma research and commercialisation, AI and quantum technology. This ambition aligns with national (Invest 2035), London-wide (London Growth Plan), and local strategies to drive frontier innovation activities and motivate domestic investment.
- 2.5.2. **Additional housing built more quickly in Euston**, including affordable housing. Beyond development of the station site, which is being brought forward by DfT/ Network Rail's Master Development Partner, Lendlease, the main opportunities for housing delivery are being looked at by the Euston Housing Delivery Group (EHDG). Most of the potential sites for this are identified in the Council's Euston Area Plan, currently being updated and coming to Cabinet for consideration in November (SC/2024/31).
- 2.5.3. **Station development proposals that are integrated** with the wider place, the innovation district and local neighbourhoods

3. OPTIONS APPRAISAL

Visioning Principles

- 3.1. The Council commissioned Arcadis to explore the options for a delivery vehicle to lead regeneration of the Euston area, assessing options ranging from smaller-scale interventions such as a Strategic Place Partnership, to the largest-scale intervention of establishing a Development Corporation. Arcadis assessed an LLDC to be the preferred option. This assessment is summarised in Appendix 2.
- 3.2. Establishing a Development Corporation for Euston offers a more effective mechanism to deliver regeneration than utilising Camden's existing structures. A Development Corporation provides the dedicated powers, focus, and governance model needed to coordinate complex regeneration at scale that benefits both Euston and London as a whole.
- 3.3. Camden in an internal review has considered the opportunities and constraints presented by the introduction of both a Locally Led Development Corporation and a Mayoral led Development Corporation. While there are many advantages to an MDC, including access to GLA funding and the ability to convene across a wider area of London, Camden believe that a Locally Led Development Corporation is better able to deliver at pace in a setting where

the specificity of the local context and tightly bound nature of the regeneration requires precise, place-based interventions informed by local expertise.

- 3.4. Officers believe this Corporation should be locally led, with Camden Council acting as the oversight authority, for the following reasons:
 - 3.4.1. **Deep understanding of the local community:** Camden has long-standing relationships with local residents, businesses, and institutions. Camden's knowledge of the area, its assets, and its challenges allows it to ensure development is responsive to both long-term ambitions and emerging opportunities.
 - 3.4.2. **Existing expertise and capacity:** Camden has established teams and systems in place, meaning the council is well positioned to leverage its local knowledge, existing capacity and operational experience. This avoids the need to establish a new organisation from scratch, reducing cost, effort and distraction. The close involvement of the GLA would enable the Development Corporation to draw effectively on its cross-London expertise.
- 3.5. In addition, Camden can provide the following elements at Euston, notwithstanding these elements would also be able to be undertaken by the GLA:
 - 3.5.1. **Strategic influence:** Camden holds a strong influencing position across London and nationally, enabling it to convene partners and advocate effectively.
 - 3.5.2. **Financial credibility:** The council has a track record of sound financial management and can provide stability and confidence to investors and government partners. This credibility is essential for attracting investment and securing government support for regeneration.
 - 3.5.3. **Governance clarity:** A locally led Development Corporation can offer transparent, accountable governance. It can set a new standard for partnership between local government and the Mayor, while enabling effective collaboration with national bodies.
- 3.6. Of course an MDC (one with clear partnership arrangements between the GLA and Camden) remains an option, given that the full legislative framework for LLDC is still developing.

Geography

- 3.7. If the Council establish a LLDC, the boundary will need to be confirmed in legislation. The final boundary will be consulted on once enabling legislation is introduced. Camden will consult extensively with local residents and assess any impacts on residents and businesses.
- 3.8. There are a few factors to think through in determining what the boundary should be:
 - 3.8.1. **Size:** A larger area can appear more attractive to investors, suggesting greater potential for growth and investment. However, many areas already have development plans in motion or have limited change potential. Focusing on a manageable core area allows for quicker wins, clearer phasing, and more targeted investment. Including areas with no

viable routes for regeneration could disrupt existing governance arrangements and create unnecessary uncertainty.

3.8.2. **Coherence:** Stakeholders including GLA have been interested in the exploration of boundaries that are as expansive as possible, potentially aligning with the Knowledge Quarter (a one mile radius around Kings Cross) to maximise a focus on economic growth. However, the strategic case for a Development Corporation is centred on the Euston area. Extending the boundary beyond this focus risks diluting the rationale and weakening the case for intervention.

3.8.3. **Governance:** to ensure the LLDC is truly locally led and focused on Euston, Camden have been keen to ensure that any boundary sits wholly within LBC. A boundary that is too expansive may face resistance from neighbouring boroughs or stakeholders. However, recognising the wider opportunities for economic growth in the wider area, officers have considered governance options to capitalise on this opportunity outside of the development corporation.

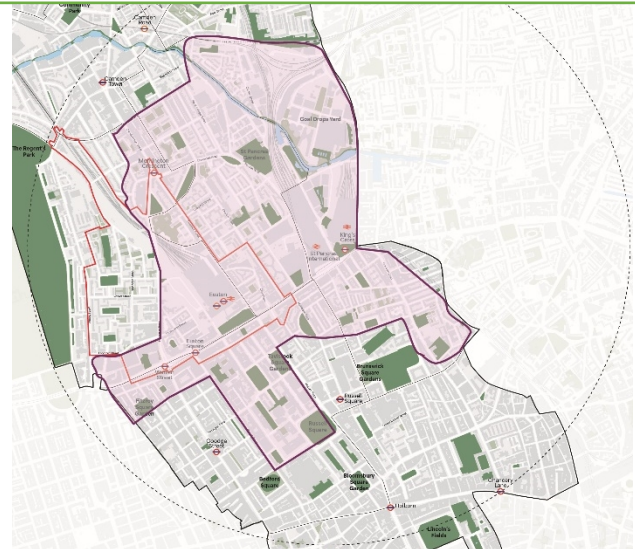
3.8.4. **Interactions with other bodies:** The 10-Year Infrastructure Strategy (2025) confirmed that a Euston Delivery Company will be established to oversee the development of the Euston transport Campus. Discussions are ongoing with DfT on how the two bodies would interact, given the overlapping boundaries.

- 3.9. At a minimum, Camden thinks that the core boundary of the Development Corporation should encompass the area shown in yellow below, including British Library/ Crossrail 2 site and Phoenix Road link to St Pancras. This is based on an assessment of where there is scope to develop the area around the station and maximise housing delivery.
- 3.10. Recognising the importance of maximising economic growth and delivering the London Growth Plan, officers suggest that the core LLDC area could be complemented by a strategic reset of the Knowledge Quarter (KQ) as an innovation district convened by the GLA, Camden and Islington, working with the Knowledge Quarter Partnership. This would sit outside the Development Corporation boundary.
- 3.11. Officers have also considered an alternative to the Knowledge Quarter reset of introducing a more tightly focused innovation wider zone of influence within Camden. This zone would also not need to be contained within the proposed Development Corporation boundary. However this could cause confusion as it produces an extra layer of governance that could be covered by a reset approach to the governance and approach to the KQ.
- 3.12. Finally, officers have looked at an LLDC boundary covering the whole of the wider zone of influence (in purple below). However, the need for Development Corporation powers in this zone beyond the core area is limited, as there are few sites in need of assistance to progress. Appendix 3 sets out this assessment in more detail.

Suggested core Development Corporation boundary (in yellow) with KQ reset area within the circle



Potential innovation wider zone of influence/ alternative wider LLDC boundary (in purple)



Governance

- 3.13. The legislative framework/draft guidance on establishing and oversight of an LLDC is still developing and is subject to change. However, considerations from the emerging framework are as below:
- 3.13.1. **Oversight Authority:** LBC is expected to be the oversight authority, with a role similar to that of the MHCLG Secretary of State in overseeing an Urban Development Corporation (the key powers are the ability to appoint and remove board members, consent to the transfer of the corporation's undertakings³, and consenting to borrowing). This is subject to final legislation
- 3.13.2. **The board** sets the strategy of the LLDC. It must have a majority of independent members, and at least one member from LBC. There must be a transparent process of appointments. LBC cannot control the board.
- 3.13.3. **Membership:** when appointing members, the oversight authority must 'have regard' to the desirability of appointing one or more persons with special knowledge of the locality, and people that have experience in areas relevant to the development corporation's functions.
- 3.13.4. **Chair:** the oversight authority must appoint two independent members to be chair and deputy chair
- 3.14. Camden are working through options for the composition of a board. The working assumption is that it will be around 10-12 members, the exact composition will need further refinement. Development Corporation Boards typically contain a mix of local councillors, GLA nominations and independent experts. Given the strategic nature of the area and the interface with the Euston Delivery Company, Camden is working through the required skills and experience mix that should be represented on the board. Officers are also considering how to represent the GLA and relevant government stakeholders

³ This includes land and property, infrastructure, contracts and liabilities, and statutory functions.

in the governance structures. The Mayor of London is expected to have a role in appointing the chair and some of the Board.

- 3.15. Camden would also expect any governance structure to establish various committees to exercise decision making in particular tasks, which could include Planning, Finance and Investment, Inclusive Growth, and Audit and Risk Committees (the latter is required by legislation).
- 3.16. Camden will consider how best to ensure strong community representation in the LLDC's governance. Camden expect to set up at least one stakeholder group, such as by establishing a bespoke Community Review Panel and/or Community Youth Panel where representatives could sit on the Board or report into it.

Powers

- 3.17. Development Corporations can take a wide suite of powers, including planning powers, land assembly and compulsory purchase orders, direct delivery of housing, commercial and public realm, infrastructure delivery, and financing and funding powers. These are summarised in Appendix 4. Considering the emerging draft objectives for a LLDC at Euston, officers recommend that the Development Corporation takes the full range of powers available. Officers will continue working up proposals and consider how to maintain effectiveness and transparency in whatever approach is taken.
- 3.18. Most Development Corporations become the planning authority for that area, but some retain powers within the local authorities. GLA expect that any Development Corporation at Euston would include planning powers (both Development Management and Plan Making), and it is uncertain that a Locally Led Development Corporation proposal without planning powers would get support. The alternative would be a Mayoral Development Corporation that would likely take planning powers.
- 3.19. Officers propose that the Development Corporation becomes the planning authority to allow the Development Corporation to deliver on its ambitions. Taking both development management and plan making planning powers allows Development Corporations to speed up development and make decisions that align with their overall objectives. In addition, there are advantages to having a planning regime with the capacity and knowledge to take Euston specific decisions. Finally, taking on planning powers strengthens its ability to attract funding, secure wider stakeholder and political support, and avoid being perceived as a partial solution.
- 3.20. On the other hand, transferring planning powers to an LLDC would mean LBC has less direct control over planning decisions. There would be a separate planning committee, with local members being only one element of a committee made up of a range of representatives and experts.
- 3.21. Planning powers if given to the LLDC should be given wholesale - splitting or delaying the transfer of planning powers can create technical challenges and disrupt the planning system. Camden is working through whether enforcement and non-strategic minor and householder applications could be discharged back to Camden where this aids ease of operations.

Funding

- 3.22. When considering how an LLDC would be funded, there are two main questions to consider: (i) how the Development Corporation's operating costs will be funded, and (ii) how regeneration and development activity within the Euston boundary will be financed over time.
- 3.23. In terms of set-up, precedent from other Development Corporations indicates that most receive grant-in-aid from Government (MHCLG) to cover initial costs. Camden expect to seek clarity on the availability and scale of such support through engagement with MHCLG as plans for the LLDC progress.
- 3.24. For ongoing operating costs, a range of funding mechanisms are available. Business rates retention, planning fees, government grants, and developer contributions are viable funding sources. While availability may vary, precedent shows they can support development corporation operations when used together. These are set out in more detail in Appendix 5.
- 3.25. Camden's working assumption is that early operational funding will require a degree of grant dependence, with a transition toward a more self-sustaining model (business rates, receipts, contributions) over time. This phasing will need to be carefully managed, as revenue sources vary in their timing and certainty.
- 3.26. Key considerations include:
 - 3.26.1. The size and structure of the LLDC, which will determine cost implications.
 - 3.26.2. The Council's risk appetite, particularly around reliance on borrowing and market-dependent or future backed revenue streams.
 - 3.26.3. Whether a predominantly grant-supported or self-sustaining model is most viable in practice.
 - 3.26.4. Phasing: ensuring early stability while building toward longer-term financial resilience.

Links with Euston (station) Delivery Company

- 3.27. A key consideration as plans for an LLDC at Euston progress is how it will collaborate with the Euston Delivery Company (EDC) being established by Department for Transport (DfT). Camden's objective is to ensure that development over and around the station reflects wider Euston area priorities, aligns with other developments in the area, and delivers local community benefits.
- 3.28. Camden's ambition, one shared by the GLA, is for the corporation to have a key role in shaping development activity across the area.
- 3.29. The options identified by officers for structuring collaboration include both formal and informal mechanisms:
 - 3.29.1. Formal arrangements: interface agreements, development agreements, asset protection agreements, and Memoranda of

Understanding that clearly delineate responsibilities and provide assurances to all parties.

3.29.2. Informal mechanisms: joint collaboration boards, stakeholder forums, or integration committees that allow ongoing dialogue, coordination, and dispute resolution to supplement more formal arrangements.

4. WHAT ARE THE KEY IMPACTS / RISKS? HOW WILL THEY BE ADDRESSED?

- 4.1. Legislative delay: there is a risk that the secondary legislation to establish an LLDC will be delayed. If this situation materialises, Camden will work closely with GLA to establish an MDC for the Euston area, recognising that although Camden's preference is to establish an LLDC, either model of a development corporation will help deliver regeneration in the Euston area. Camden are addressing this through ongoing engagement with MHCLG who are aware of the timelines, but to some extent this risk cannot be mitigated by Camden.
- 4.2. Stakeholder opposition: extensive community engagement will be undertaken, including a full consultation. Camden are looking at how to represent the community in governance structures.
- 4.3. Funding uncertainty: there is pressure on local budgets meaning Council funding would be difficult and impact on wider Council finances including Business Rates. This will require detailed modelling of different scenarios, which has been commissioned.

5. CONSULTATION/ENGAGEMENT

- 5.1. Consultation on proposals to date has been limited for two reasons:
 - Proposals are still in an early stage, so any consultation would lack a defined proposal to respond to.
 - Camden cannot undertake the statutory public consultation on the Development Corporation prior to commencement. MHCLG currently plan to lay legislation in 2026.
- 5.2. Camden will consult extensively on the LLDC prior to establishment. This will at a minimum consult the residents and businesses located in the boundary of the development corporation, but is expected to go wider than this as a fully open public consultation.

6. LEGAL IMPLICATIONS

- 6.1. Legal comments (having regard to external advice) have been incorporated throughout the report.

7. RESOURCE IMPLICATIONS

- 7.1. This report provides an update on the work completed to date on establishing a Future Locally Led Development Corporation (LLDC) for Euston, as well as

setting out the next steps and intention to return to Cabinet prior to public consultation. As the work is at an early stage, the eventual form and funding mechanism for the LLDC is uncertain and extensive modelling will be undertaken on various scenarios prior to implementation.

- 7.2. Due to pressure on existing budgets and resources, Central Government Funding was sought, part funding the initial development work. Establishing the Locally Led Development Corporation will also depend on external financing.
- 7.3. It is anticipated that, as with most Development Corporations, grant funding will be made available to progress and set up a LLDC at Euston, and there will be a suite of potential funding and value capture mechanisms for the Development Corporation that could be utilised depending on the extent and powers of the Corporation. All of these options will be subject to detailed modelling to show the impact on the LLDC and the Council.
- 7.4. The mix of development types within the LLDC area, whether business, leisure or housing will have varying financial implications for the Council, including on Business Rates retention. These implications will have to be considered in full.

8. ENVIRONMENTAL IMPLICATIONS

- 8.1 A development corporation may have some environmental impacts. The first step will be to prepare an Environmental Scoping Report - this will be commenced should Cabinet be content with the direction of travel for this work. The significant development opportunities in the area and plans will be subject to differing levels of environmental assessment. The Euston Area plan has an accompanying Sustainability Appraisal, Lendlease will have an Environmental Impact Assessment for the masterplan for the area, HS2 has an Environmental Statement and the redevelopment of the LU and NR stations will be required to assess the environmental impacts. A cumulative understanding of the impact of these will be sought as part of the development process.

9. TIMETABLE FOR IMPLEMENTATION

- 9.1. Officers are working to the following timelines, although these are dependent on the timings of legislation.
 - 9.1.1. Relevant legislation laid by MHCLG in 2026.
 - 9.1.2. Camden will report back to Cabinet on progress prior to launching a public consultation next year.
 - 9.1.3. Consultation on LLDC design takes place subject to Cabinet approval.
 - 9.1.4. Development Corporation launched in 2027.

10. APPENDICES

Appendix 1: Strategic Narrative

Appendix 2: Assessment of delivery vehicle options

Appendix 3: Geographic area assessment
Appendix 4: Powers available to a Development Corporation
Appendix 5: Funding and financing options

REPORT ENDS