

<b>Committee(s):</b> Policy & Resources Committee Court of Common Council	<b>Date(s):</b> 07/05/2020 21/05/2020
<b>Subject:</b> City of London Local Plan Review: Proposed Publication of the City Plan 2036	<b>Public</b>
<b>Report of:</b> Carolyn Dwyer, Director of the Built Environment	<b>For Decision</b>
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### Summary

The City Corporation is reviewing its Local Plan, which sets out the Corporation's vision, objectives and policies for planning the City of London. The current City Local Plan was adopted in 2015 and sets the context for land-use and development requirements up to 2036. The new Local Plan will have an end date of 2036.

Preparation of the new Local Plan has been informed by two rounds of public consultation, firstly on key issues and potential policy options in autumn 2016 and then on a full draft Plan between November 2018 and February 2019. Other factors that have influenced the new Plan include national planning policy, the Mayor's London Plan, an evidence base of research, a supporting Integrated Impact Assessment and delivery of the Corporate Plan and other City Corporation strategies.

Since the close of consultation on the draft Local Plan, the Local Plans Sub Committee of the Planning and Transportation Committee has met on several occasions to agree a revised version of the Plan, known as the Proposed Submission City Plan 2036. The Plan was agreed under urgency procedures following consideration by Members of the Planning and Transportation Committee at an informal virtual meeting on 31<sup>st</sup> March 2020 and it is now recommended to the Policy & Resources Committee and Court of Common Council. This report highlights the main changes that have been made to the November 2018 draft Plan. A full version of the Proposed Submission City Plan 2036 is attached as Appendix 1.

Following Committee and Court agreement, the Proposed Submission City Plan 2036 will be published for a final period of public consultation before being submitted to the Secretary of State for Housing, Communities and Local Government for examination by an independent Planning Inspector. The new Plan is currently expected to be adopted in 2021.

### Recommendations

Members are recommended to:

- Agree the Proposed Submission City Plan 2036 set out at Appendix 1 of this report and that it be published for consultation;

- Authorise the Director of the Built Environment to make further non-material amendments and editorial changes prior to public consultation and submission to the Secretary of State.

## **Main Report**

### **Background**

1. The Local Plan sets out the City Corporation's vision, objectives and policies for planning the City of London. The Local Plan has to be consistent with national planning policy and in general conformity with the London Plan, which is currently being reviewed by the Mayor. A revised London Plan underwent an Examination in Public last year and the Mayor issued an 'Intend to Publish' version in December 2019. However, the Secretary of State for Housing, Communities and Local Government has ordered the Mayor not to publish (i.e. adopt) the new Plan until certain changes are made, which are primarily aimed at increasing housing delivery.
2. The current City Local Plan, adopted in 2015, sets out the planning policy context for development in the Square Mile up to 2026. The National Planning Policy Framework (NPPF) indicates that local plans should look ahead over a minimum 15-year period from adoption to anticipate and respond to long-term requirements and opportunities. The NPPF also requires that Local Plans be reviewed at least every 5 years to ensure that they are up to date.
3. The first formal stage of the City's Local Plan review was to consider key issues and potential policy options, with an Issues and Options document being published for consultation between September and December 2016. After this work began on preparing a full draft Plan, informed by a range of factors such as national policy, the draft London Plan, the Corporation's aspirations and evidence studies as well as public consultation feedback.
4. The draft City Plan 2036 was issued for public consultation between November 2018 and the end of February 2019. Approximately 900 written comments were received from 180 respondents, along with informal comments collected at workshops and meetings. A summary of the written comments received is available on the City Corporation's website at [www.cityoflondon.gov.uk/cityplan2036](http://www.cityoflondon.gov.uk/cityplan2036).
5. The Local Plans Sub Committee considered the key issues arising from the consultation responses, provided a steer to officers on the appropriate way forward and agreed proposed changes to the draft Local Plan. Those changes have taken account of revisions to the London Plan following the Examination in Public held between January and May 2019, and revisions to national planning policy and guidance, including a new version of the National Planning Policy Framework in February 2019.

6. The Proposed Submission City Plan 2036 was considered by the Planning and Transportation Committee at an informal virtual meeting on 31<sup>st</sup> March 2020. The recommendations set out in this report were agreed by the Town Clerk in consultation with the Chair and Deputy Chairman of the Planning and Transportation Committee under urgency procedures, taking into account comments made by Members of the Planning and Transportation Committee at the meeting. The Plan attached to this report incorporates several non-material changes made in response to points raised by Members of the Planning and Transportation Committee at the informal virtual meeting and other non-material changes to aid clarification. These non-material changes have been agreed in consultation with the Chair and Deputy Chairman of the Planning & Transportation Committee.

### **Key Issues Raised through consultation on the Draft Local Plan**

7. Consultation comments were received on all aspects of the draft Plan and there was no single, dominant theme. The main points raised were:
  - a) **Vision and Objectives**

There was widespread support for the Plan's vision and objectives, particularly the ambition to retain the City's role as a world leading office and professional services centre. Questions were raised, particularly by residents, about potential conflicts between Plan policies, for example reconciling aims to protect amenity and reduce pollution with encouraging increased vibrancy and activity.
  - b) **Healthy and Inclusive City**

There was support for the overarching themes and ambition to deliver a healthier and more inclusive City. The inclusion of policies at the front of the Plan and priority given to this agenda was supported. There was particularly strong support for measures to address poor air quality and a number of suggestions for initiatives to deliver improvements.
  - c) **Urban greening**

There was widespread support for additional greening, including the provision of more open space and amenity provision for both workers and residents, and improvements in biodiversity. There was some concern from developers about the feasibility and viability of providing more greening on buildings.
  - d) **Transport**

A range of transport issues were raised, with themes very similar to those raised in the Transport Strategy consultation. Particular issues included freight deliveries, pedestrian permeability, provision for cyclists and whether the Plan's transport proposals were ambitious enough and/or deliverable.
  - e) **Tall buildings, protected views and heritage assets**

Concerns were raised about the impact of tall building development on the setting of the Tower of London and St Paul's Cathedral, including from the processional route along Fleet Street and Ludgate Hill. Questions were raised as to whether the policies are clear enough and consistent with policies in

neighbouring boroughs, about the quality of design of tall buildings and the cumulative impact of development.

f) **City Cluster**

Questions were raised around how the City Corporation will manage further intensification of this area, particularly the impact on City streets of increased traffic and footfall, whether or not the area should be expanded to allow further tall buildings.

g) **Culture Mile (Smithfield and Barbican Area)**

There was support for the Culture Mile initiative and the wider policies proposed for the Smithfield and Barbican Area but concerns about the impact of proposed developments and activities on residential amenity. A number of comments raised issues about the future of Smithfield Market, with an expectation that the Plan should provide clear guidance on potential future uses.

8. Other parts of the draft Plan received fewer comments. Issues raised included:

- Whether the retail policies were flexible enough to respond to changing retail patterns and a desire for more independent shops.
- Support for requiring flexible office floorplates and the growth in office floorspace.
- Some concern from developers about the cumulative impact of the Local Plan policies on the viability and deliverability of development.

## **Proposed Submission City Plan 2036**

9. Attached at Appendix 1 is the Proposed Submission version of City Plan 2036. The structure of the Plan follows that of the City Corporation's Corporate Plan to help ensure that spatial planning is aligned as far as possible with wider corporate objectives. It aligns with the adopted Transport Strategy and Air Quality Strategy and has been prepared alongside initial work on the City's Climate Action Strategy to ensure an integrated approach.
10. The Plan seeks to deliver a minimum of 2 million m<sup>2</sup> net additional office floorspace that meets the needs of different types of business occupiers and supports the development of cultural, leisure, retail and other complementary uses to maintain the City's role as a global hub for innovation in financial and professional services, commerce and culture. It sets ambitious targets to transition to a zero carbon City, delivering additional urban greening and incorporating circular economy principles.
11. The main changes compared to the previous draft Plan are summarised below, in Plan order:
- The addition of a spatial strategy to link the vision and strategic objectives to the Key Diagram and the detailed policies.

- Further strengthening of the air quality policy to reflect the City Corporation's new Air Quality Strategy and changes to the London Plan.
  - A new policy on Health Impact Assessments to embed the consideration of health impacts within the planning process.
  - A commitment to deliver 50% affordable housing on public sector land in accordance with the draft London Plan policy approach.
  - A more flexible approach to the loss of office floorspace to residential use in or near residential areas, particularly where the residential accommodation is of a type such as Build to Rent or Co-Living which may be more complementary to the business City.
  - The addition of a requirement for major development applications to include Cultural Plans to show how the development will help enrich and enhance the City's cultural offer.
  - Greater emphasis on the use of 3D computer modelling technology to assist in the determination of planning applications.
  - Differentiation between the policy approaches for proposed development affecting designated and non-designated heritage assets.
  - Refinements to the policies on tall buildings and protected views, including clarifying that the White Tower protected silhouette of the Tower of London on the eastern fringe of the City is an area inappropriate for tall buildings.
  - A new policy on trees, which was an omission from the draft Plan.
  - Extension of the Fleet Street Key Area of Change to include Ludgate Hill and Carter Lane, emphasising the importance of the Fleet Street/Ludgate Hill spine which forms part of the historic processional route between Westminster and the City.
12. The current adopted Local Plan includes two Policies Maps showing which policies apply to specific locations. Updated versions of these Policies Maps have been produced to illustrate the proposed policies in the Proposed Submission City Plan 2036. These are attached to this report at Appendix 2.

### **Potential risks**

13. The key changes summarised above, and other minor wording changes, have improved the Plan and should ensure that it is robust and will meet relevant legal and soundness tests required by national planning policy.
14. Members may be aware that the Government considers that the City of London has not delivered the required level of new housing set out in the national 2019 Housing Delivery Test (HDT). Officers have drawn the attention of MHCLG officials to an error whereby the Sugar Quay housing development was omitted from the published figures. MHCLG has indicated that the data cannot be revised after the deadline for data submission. While this means that the 2019 HDT results for the City will not be amended, officers will ensure that all recorded housing completions in the City are reflected in City Corporation and GLA monitoring going forward, and therefore will feature in next year's HDT result. Officers are of the view that a sound case can be made that the Proposed Submission City Plan 2036 would enable housing

delivery that meets the required levels. However, the issue of housing delivery is likely to feature at the Plan Examination.

### **Non-material editorial changes**

15. Given the size and scope of the Local Plan, some minor further amendments and editing may be required. This includes the correction of typographical errors and the addition of updated infographics. Members are asked to authorise the Director of the Built Environment to make such non-material changes, which will not affect the proposed policy content.

### **Integrated Impact Assessment**

16. The review of the Local Plan has been informed by an Integrated Impact Assessment (IIA), which combines the following assessment processes and meets the City's obligations under the Public Sector Equality Duty:
  - Sustainability Appraisal, including a Strategic Environmental Assessment;
  - Equalities Assessment; and
  - Health Impact Assessment.
17. IIA is an iterative process which has been used to assess emerging policy options and the final policies in terms of their compatibility with a range of sustainable development objectives; their implications for the promotion of equalities; and their implications for health and wellbeing. The IIA has been produced in-house but has been independently audited by consultants. A Non-Technical Summary is attached as Appendix 3 to this report. It is intended that a hard copy of the full IIA document will be published on the City Corporation's website at [www.cityoflondon.gov.uk/cityplan2036](http://www.cityoflondon.gov.uk/cityplan2036).
18. A Habitat Regulations Assessment (HRA) Screening Report has been undertaken by consultants to assess whether the City Plan 2036 would have any significant effects on sites designated as being of European importance for their biodiversity. This concludes that the Plan is not likely to have a significant effect on any such site, alone or in combination with other plans or projects. There is therefore no need to proceed to the Appropriate Assessment stage of HRA, although the opinion of Natural England will be sought on the approach and conclusions of the Screening Report. It is intended that a hard copy of the HRA Screening Report will be published on the City Corporation's website at [www.cityoflondon.gov.uk/cityplan2036](http://www.cityoflondon.gov.uk/cityplan2036).

### **Evidence base**

19. The Proposed Submission City Plan 2036 has been informed by a range of evidence published by the City Corporation and by other organisations, including the Mayor of London in support of the London Plan. Amongst the evidence published to support the draft Local Plan consultation were studies relating to the office market; retail needs; urban greening; flood risk; housing need; waste arisings and transitioning to zero carbon by 2050.

20. Further evidence has been gathered to support the Proposed Submission Plan including an Infrastructure Delivery Plan, which identifies the infrastructure required to deliver the Local Plan and examines where there may be gaps in funding, or trigger points which require a step change in levels of infrastructure.
21. Another key piece of evidence is an assessment of the combined effects of the policies in the whole Plan on the overall viability of development in the Square Mile. The City Corporation is required to demonstrate that the impact of the Local Plan will not make development across the City unviable. The test is one of the impact on development generally, not a test for each individual site that comes forward. The viability report found that, as at March 2020, the overall impact of the Plan policies on residual land values ranges from 0.79% to 4.38% and the cumulative impact of the requirements did not render development in general unviable. A few development typologies, primarily for residential or hotel use, were found to be unviable, but this reflected site specific factors.
22. It is intended that hard copies of the Infrastructure Delivery Plan and the Local Plan Viability Assessment will be published on the City Corporation's website at [www.cityoflondon.gov.uk/cityplan2036](http://www.cityoflondon.gov.uk/cityplan2036).
23. Statements of Common Ground (SoCGs) are being prepared to document how the City Corporation is cooperating with neighbouring boroughs and other key partners under the Duty to Cooperate. At the time of writing, SoCGs have been agreed with Islington, Westminster, Lambeth and Southwark, with others to follow before the Plan is submitted for Examination.

### **Next steps**

24. The Plan will be published for a final six-week period of public consultation, known as the Publication stage, which is primarily an opportunity for those with any outstanding concerns to make objections to the Plan. Due to the impacts of the Covid-19 pandemic, it is proposed to post the City Plan 2036 on the City Corporation's website in June for a 'soft launch' to the consultation, with the formal statutory consultation taking place in September and October. The timetable will be kept under review in light of the measures in place to limit the spread of Covid-19 during the summer and autumn.
25. The Plan will then be submitted to the Secretary of State for Housing, Communities and Local Government, along with its supporting evidence base and the representations received. While there is no formal opportunity for the City Corporation to make significant further changes to the Plan in response to public comments at this stage, a list of limited changes may be prepared and submitted to the Secretary of State to assist with resolving the remaining objections. If any issues of fundamental significance to the soundness of the Plan were to emerge during the consultation, then it would be brought back to Members to agree an appropriate way forward.

26. The Secretary of State will appoint an Inspector to examine the soundness of the Plan. The Inspector will hold hearings and will subsequently issue a report to the City Corporation, which may include recommended modifications. Subject to the potential impacts of Covid-19 on the examination timetable, and assuming the Inspector finds the Plan sound, it is expected to be adopted in 2021.

### **Corporate and Strategic Implications**

27. The review of the Local Plan has been informed by the Corporate Plan (2018-23) and the new Plan, when adopted, will help to implement a number of Corporate Plan outcomes. The Local Plan provides a spatial planning framework to support the key corporate capital projects, along with proposals to ensure a sufficient supply of business space to meet future needs.
28. Preparation of the Local Plan is being delivered within DBE's Local Risk Budget. This includes funding to cover the preparation of the relevant evidence, but additional funding may be required to cover the cost of the examination scheduled for winter 2020/21 should it become longer and more expensive than currently anticipated. The scope of the examination and financial and resource implications will become clearer following submission of the Plan and initial assessment by the Planning Inspectorate.

### **Appendices**

- Appendix 1 – Proposed Submission Draft Local Plan (City Plan 2036)
- Appendix 2 – Policies Maps (A & B)
- Appendix 3 – Integrated Impact Assessment Non-Technical Summary

### **Background Papers**

- Report to Informal Meeting of the Planning and Transportation Committee 31 March 2020
- Responses to public consultation on the Draft Local Plan
- City Plan 2036 Integrated Impact Assessment
- City Plan 2036 Infrastructure Delivery Plan
- City of London: Local Plan Viability Assessment

The report to the informal meeting of the Planning and Transportation Committee will be published on the City Corporation's website prior to the meeting of the Policy & Resources Committee. The background papers are available at [www.cityoflondon.gov.uk/cityplan2036](http://www.cityoflondon.gov.uk/cityplan2036)

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