

<b>Committee(s):</b> Local Plans Sub (Planning and Transportation) Committee	<b>Date(s):</b> 20/10/2020
<b>Subject:</b> City Plan 2036: Revisions to pre-Submission Draft Plan	<b>Public</b>
<b>Report of:</b> Carolyn Dwyer, Director of the Built Environment	<b>For Decision</b>
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### Summary

The draft Local Plan, titled City Plan 2036, was agreed for Regulation 19 pre-submission consultation by the Court of Common Council at its meeting on 21st May 2020. Local Plan regulations at that time prevented consultation taking place without making physical copies of the Plan available for inspection. Amendments to the Regulations in July 2020 have now enabled a website only consultation.

Further changes to the Plan are now required prior to the consultation taking place to address revisions to permitted development rights and the Use Classes Order, which came into effect on 31st August and 1st September 2020; to acknowledge the short term impacts of the Covid-19 pandemic, whilst emphasising that the medium to longer term fundamentals underpinning the City's economic success remain in place; to update the Plan to reflect the City's climate ambitions in the newly adopted Climate Action Strategy; and to make minor factual updates.

### Recommendation(s)

Members are asked to:

- Agree the proposed changes to the pre-submission draft Local Plan set out in Appendix 1, for onward consideration by Planning & Transportation Committee.

### Main Report

#### Background

1. 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 Plan was then approved for pre-submission consultation by Policy & Resources Committee on 7<sup>th</sup> May 2020 and Court of Common Council on 21<sup>st</sup> May 2020. Formal pre-submission consultation was delayed due to Covid-19 restrictions which prevented the Corporation making the Plan and supporting documents available for physical inspection in the City. Amendments to the Town and Country Planning (Local Planning) regulations in July 2020 have now temporarily removed the requirement for copies of the Plan to be available for physical inspection.

## The need for further Plan refinement

2. In late July 2020, the Government laid a series of new regulations before Parliament, making changes to permitted development rights and to the 1987 Use Classes Order. These changes came into effect on 31<sup>st</sup> August 2020 and 1<sup>st</sup> September 2020. To ensure that the Local Plan is sound and reflects these changes to national planning policy, further refinements to the draft Local Plan are proposed. It is also proposed that adjustments are made to address some of the short term economic, social and health and wellbeing impacts of the Covid-19 pandemic, to update references in the Plan to the City Corporation's Climate Action Strategy which has now been adopted and to make minor factual updates.

## Use Classes Order

3. A revised Use Classes Order came into effect on 1<sup>st</sup> September 2020. A report detailing the changes to the Use Classes Order and permitted development rights, and the implications for the City of London, was considered by the Planning & Transportation Committee on 8<sup>th</sup> September 2020. The most significant change is the creation of a new Commercial, Business and Service Uses class, Class E, which replaces the B1 business use class and the A1, A2 and A3 retail use classes. A change of use within the E class is not considered development and is not, therefore, subject to planning control.
4. The Proposed Submission draft Local Plan was prepared on the basis of the previous 1987 Use Classes Order and has a number of policies which specifically reference the Use Classes Order, seeking to manage how sites and buildings change over time. The key policy areas where change is required are:
  - a. **Protection of office accommodation.** The proposed amendments reflect the potential for change within the E Use Class, whilst continuing to emphasise the continuing need to promote and retain a critical mass of office accommodation in the City. Emerging Local Plan policy already allows for greater flexibility for other commercial uses at basement and ground floor level in line with the ambitions of the new Use Classes Order and substantive change to the policy approach is not considered necessary.
  - b. **Retail provision.** The Proposed Submission draft Local Plan seeks to concentrate A1 retail within the Principal Shopping Centres (PSCs), with retail also encouraged within the Retail Links. Isolated A1 retail units, in particular, are protected. The E Use Class is intended to provide greater flexibility to allow changes of use within town centres to retain their vitality and viability, but removes the ability to manage the change between retail uses and between retail, office and some other commercial uses. Amendments are suggested to the Local Plan's retail policies which continue to promote the role of the City's PSCs as centres for traditional shops, providing comparison and convenience retail. Most City developers, landowners and occupiers are expected to continue to see the benefits of providing active frontages and the additional vibrancy and income that comes from a mix of ground floor uses, so significant change is not expected, particularly within the PSCs.

## **Covid-19 Impacts**

5. The Proposed Submission draft Local Plan was prepared prior to the outbreak of the Covid-19 Pandemic, which has had significant health, well-being, environmental and economic impacts locally and globally. Although these impacts are expected to be relatively short term, the pandemic is leading to behavioural changes. Some of these changes are temporary, but some are likely to become established as part of the 'new normal'. The acceleration of existing trends and the creation of new trends both need to be taken into account in the emerging Local Plan which is planning not just for the next few years but the medium and longer term. Therefore, the Plan needs to look beyond the current pandemic to a period when the City is once more a vibrant base for a wide range of existing and new businesses, operating more flexibly to meet the changing business environment, space needs and lifestyle expectations of their workforce.
6. The immediate impact of Covid-19 has been to shift much of the City's business online with many City workers working remotely, and consequently significant reductions in journeys into the City and footfall within it. However, although the pace and scale of future growth in the City of London is uncertain in the short term, the longer term geographical, economic and social fundamentals underpinning the success of the City as a vibrant centre of business creativity and innovation remain in place. Strong interest in pre-application planning advice and investment suggest continued confidence in the City as a place in which to do business. The ways that people live, work, travel and use city centres will in the future be different, but the City will continue to be an attractive and sustainable meeting place where people and businesses come together for creative innovation.
7. Contextual changes and a reiteration of the Local Plan's flexible and adaptable strategy (which already seeks to facilitate a healthy and inclusive City), new ways of working, improvements in public realm, urban greening and a radical transformation of the City's streets are considered appropriate at this stage. The Local Plan is continually monitored through a robust monitoring programme and if this evidence suggests a need for wider review, this can be considered through a future review of the Plan.

## **Climate Action Strategy**

8. The Court of Common Council on 8<sup>th</sup> October 2020 approved a Climate Action Strategy for the City Corporation, which sets out a radical programme of measures to:
  - a. Reduce carbon emissions and a trajectory towards achieving a zero carbon City Corporation and wider City of London by 2040.
  - b. Ensure the City Corporation's buildings and public realm are resilient to more extreme weather conditions and rising sea levels.
9. The Climate Action Strategy introduces a new way of working where the risks and opportunities arising from climate change are integrated into all City Corporation decision making. Through this strategy, the City Corporation will secure and strengthen its position as a world leading financial and professional

services centre, with a public realm and buildings which are attractive places to work, live, study and visit.

10. The Proposed Submission draft Local Plan already addresses the need to reduce carbon emissions, increase resilience and has, at its heart, the delivery of a sustainable and green city. The delay in consulting on the Plan and the adoption of the Climate Action Strategy provide an opportunity to refine this approach, ensuring a consistent and strong message on climate is presented by the City Corporation.

### **Proposed Changes**

11. Appendix 1 sets out a schedule of changes to the Proposed Submission draft Local Plan. The schedule identifies those changes that are required to respond to the Use Classes Order, Covid-19 and the Climate Action Strategy. The proposed changes also take account of advice received from a Planning Inspector who held a virtual advisory visit with officers in July, albeit his advice is not binding on the Inspector who will subsequently carry out the independent examination of the City's Local Plan. These amendments are considered to be material changes to the Plan that was previously agreed by the Court and, as a result, they will require the express approval of Planning & Transportation Committee, Policy & Resources Committee and Court of Common Council. Members are asked to agree the schedule of changes for consideration firstly by Planning & Transportation Committee. The Grand Committee will then be asked to approve the schedule for consideration by Policy & Resources Committee and Court of Common Council.
12. Separately, the schedule also identifies a number of factual updates to the Proposed Submission draft Plan. These changes are non-material and, in line with the authorisation previously given by the Grand Committee, do not need express approval, but are included here for completeness.

### **Next Steps**

13. A further meeting of the Sub-Committee has been scheduled for 4<sup>th</sup> November 2020. This meeting will provide an opportunity, if required, for further discussion of the proposed changes or refinement of proposed changes following discussion at the meeting today.
14. Following consideration by the Sub-Committee, the schedule of changes to the Proposed Submission draft Plan will be considered by:
  - Planning & Transportation Committee on 17<sup>th</sup> November 2020
  - Policy & Resources Committee on 10<sup>th</sup> December 2020
  - Court of Common Council on 14<sup>th</sup> January 2021
15. Following consideration at Court, the Proposed Submission draft Plan will be issued for Regulation 19 pre-submission consultation in late January 2021 or early February 2021 for a period of 6 weeks. Following consultation, and subject to the agreement of the Planning & Transportation Committee, the Plan would then be submitted, prior to the summer recess, to the Planning Inspectorate for

Public Examination. Formal Examination hearings are then likely to take place later in 2021, with adoption of the new Local Plan now scheduled by mid-2022.

16. The Government is currently consulting on fundamental changes to the planning system through its Planning White Paper. The City Corporation's response to these proposals will be considered by Planning & Transportation Committee on 27<sup>th</sup> October 2020. The White Paper suggests transitional provisions for those local planning authorities that have submitted a plan for public examination at the time revised planning legislation is enacted which would allow a submitted local plan to progress to adoption. The timing of legislation is uncertain, but it is expected to be progressed rapidly, highlighting the importance of ensuring that the City's Plan is submitted for examination in late spring/early summer 2021.

### **Corporate & Strategic Implications**

17. The review of the Local Plan is informed by the Corporate Plan (2018-23) and the new Plan, when adopted, will help to implement a number of Corporate Plan outcomes. The Proposed Submission draft Plan provides a spatial planning framework to support the Climate Action Strategy and key corporate capital projects, along with proposals to ensure a sufficient supply of business space to meet future needs. It also aligns with the adopted Transport Strategy.

### **Conclusion**

18. The draft Local Plan was agreed for Regulation 19 pre-submission consultation by the Court of Common Council at its meeting on 21<sup>st</sup> May 2020. Local Plan regulations at that time prevented consultation taking place without making physical copies of the Plan available for inspection. Amendments to the Regulations in July 2020 have now enabled a website only consultation.
19. Changes to permitted development rights and the Use Classes Order, which came into effect on 31<sup>st</sup> August and 1<sup>st</sup> September 2020, mean that further changes to the Proposed Submission draft Plan are now required to ensure it is compliant with national planning policy. Additional changes are needed to acknowledge the short term impacts of the Covid-19 pandemic, whilst emphasising that the medium to longer term fundamentals underpinning the City's economic success remain in place. The City Corporation has also adopted its Climate Action Strategy and updates are proposed to reflect the strategy. Minor, non-material, factual updates are also proposed.

### **Appendices**

Appendix 1: Schedule of proposed amendments to the Proposed Submission version of the City of London Local Plan

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