

Committee(s)	Dated:
Local Plans Sub (Planning and Transportation) Committee	31/01/2022
Subject: City Plan: Next steps	Public
Which outcomes in the City Corporation's Corporate Plan does this proposal aim to impact directly?	1,2,4,7,9,11,12
Does this proposal require extra revenue and/or capital spending?	Not in 21/22 or 22/23
If so, how much?	
What is the source of Funding?	
Has this Funding Source been agreed with the Chamberlain's Department?	
Report of: Juliemma McLoughlin, Executive Director Environment	For Decision
Report author: Adrian Roche, Environment Department	

Summary

The draft Local Plan, titled City Plan 2036, was published for Regulation 19 pre-submission consultation between 19 March and 10 May 2021. A report summarising the outcome of the consultation exercise was considered by the Grand Committee in December 2021. That report drew attention to a general conformity objection from the Mayor of London in relation to the draft tall buildings policy, and highlighted a range of other factors, including the ongoing impacts of the pandemic and the priority need to further embed climate action into the City Plan, which have led to the need for material changes to the draft Plan to ensure it will be found sound by a Planning Inspector. The Grand Committee agreed a new timetable to enable a revised version of the City Plan to be prepared and published for consultation, together with a change to the City Plan's end date to 2040 to align with the Climate Action Strategy.

This report provides more detail about the main areas of technical work needed to refresh the evidence base, outlining the broad scope and timing of such work for agreement by the Sub-Committee. The report also outlines the engagement that is proposed to be undertaken with stakeholders to inform revisions to the draft Plan. Officers will report back to the Sub-Committee before the summer recess to outline key findings from the evidence gathering and stakeholder engagement exercises, together with initial thoughts on potential policy changes.

Recommendation(s)

Members are asked to:

- Note the proposed timetable set out in Appendix A, which was agreed by the Planning and Transportation Committee in December 2021; and
- Agree the proposed approach to further evidence gathering set out in Appendix B.

Main Report

Background

1. The City Corporation is preparing a new local plan to replace the current City of London Local Plan, which was adopted in 2015 and sets out development requirements up to 2026. A Proposed Submission draft of the new local plan, covering the period to 2036 and titled City Plan 2036, was published for 'Regulation 19' consultation on 19 March 2021. Consultation ended on 10 May 2021 and a total of 1,327 formal representations were received from 171 respondents.
2. A report was considered by the Grand Committee at its meeting on 14 December 2021, which contained a summary of the key issues raised during the pre-submission consultation. Full copies of the original representations, with personal details other than names redacted, have been published on the City Corporation's website at www.cityoflondon.gov.uk/cityplan2036.
3. The report to the Grand Committee in December outlined certain policy areas including tall buildings, climate change, offices, retail and housing where consultation feedback and/or other factors indicate that material changes will be needed to ensure that the City Plan will satisfy the relevant soundness tests at Examination and to provide a robust policy framework to guide future development.
4. The report drew attention to representations made by the Mayor of London, which identified some differences in the policy approach to tall buildings in the draft City Plan and the adopted London Plan 2021 that had led him to conclude that the draft City Plan is not in general conformity with the London Plan. Where a local plan is judged to not be in general conformity with the London Plan, it is highly unlikely that a Planning Inspector would consider that plan to be sound. Attention was also drawn to the City's deteriorating housing land supply position, the age of the evidence base and the fact that the Plan period would now be less than 15 years as posing further risks to the soundness of the Plan.
5. Another key factor outlined in the report to the Grand Committee was the ongoing impact of the pandemic. When officers had an advisory visit from a Planning Inspector in summer 2020, he indicated that the implications of the pandemic were so uncertain that it would be acceptable to proceed with a pre-Covid Plan. However, 18 months on, the length of the pandemic and its impact on society and the economy mean that it is arguably no longer tenable to proceed with a Plan that was predominantly drafted before the pandemic.
6. In light of all the above factors, the Grand Committee agreed to revise the draft City Plan to ensure that it will be found sound by a Planning Inspector and that it is fit for a post-Covid, climate resilient future, and aligns with City Corporation Covid recovery strategies. The Grand Committee also agreed to change the Plan period to 2040 to align with the headline net zero target in the City Corporation's Climate Action Strategy.

Timetable

7. The revised timetable agreed by the Grand Committee is shown in gantt chart and tabular form in Appendix A. It focuses on quickly updating the evidence base in the first half of 2022, together with undertaking informal engagement with stakeholders representing a range of interests. The scope of this work is set out in more detail below. Progress will be reported to the Sub-Committee before the summer recess, along with officers' initial thoughts on potential policy changes. In light of the Member steer, officers will draft a revised Proposed Submission Draft City Plan over the summer for formal committee approval during the autumn. At this stage of the plan preparation process, approval is needed from the Planning & Transportation Committee, Policy & Resources Committee and the Court of Common Council. Consultation on the revised City Plan would take place between December 2022 and February 2023, with a target date of 31 March 2023 for submission of the Plan to the Secretary of State for examination by an independent Planning Inspector. This should enable the City Plan to be adopted, or be very close to adoption, by the Government's target date of December 2023 for all local planning authorities.

Evidence Base

8. The current draft City Plan is 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. In some cases, additional studies have been undertaken to provide specific evidence to support and justify the proposed policies. However, much of the existing evidence base pre-dates the pandemic and needs to be reviewed and confirmed or updated in light of the pandemic and other factors that may have changed since the original studies were undertaken. The evidence base also needs to be rolled forward to 2040 to correspond with the revised Plan period.
9. It is not necessary, nor feasible within available resources, to produce revised versions of all the evidence studies so far undertaken for the City Plan. The review of the evidence base will identify which studies will need to be updated or amended and which studies can continue to be relied upon. Priority will be given to updating studies relating to topics that have been particularly affected by the pandemic and/or were subject to challenge during the consultation on the Proposed Submission Draft City Plan. In some cases, new work may also be required, for instance to address the Mayor's objection in relation to the tall buildings policy.
10. As much as possible of this work will be undertaken by in-house staff but external consultants will need to be appointed where specialist expertise is required outside of the experience of in-house staff. A balance needs to be struck in this regard between ensuring that the evidence underpinning the City Plan is as robust and up-to-date as possible, while remaining within the budget and staff resources available and avoiding undue further delay to the preparation of the City Plan.

11. Appendix B of this report contains a series of short papers relating to the following key policy topics within the City Plan:
- Climate change
 - Tall buildings
 - Offices
 - Housing
 - Culture and visitors
 - Retail
 - Sports and leisure
12. The papers at Appendix B identify the existing evidence base and set out a proposed approach towards updating and/or supplementing that evidence base with additional research. Members are asked to indicate if they are happy for officers to proceed on the basis indicated or if they wish to suggest additional or alternative priorities or to comment on the nature of the evidence to be collected.

‘Call for sites’ consultation

13. The report to the Grand Committee in December explained why it would now be prudent to undertake a ‘call for sites’ consultation asking stakeholders to submit any sites they would wish to be considered for allocation in the City Plan for future residential-led development. In essence, given the deteriorating housing land supply position and the current lack of a 5-year housing land supply as required by national policy, it is important to be able to demonstrate to a Planning Inspector that the City Corporation has actively looked for potentially suitable land for housing.
14. It is proposed to undertake the consultation in April and May and to report back to this Sub-Committee on the outcome before the summer recess. The consultation would cover a full range of potential residential development, including student accommodation and newer housing models such as Build to Rent and Co-Living that are potentially more complementary to the City’s business and cultural objectives than traditional forms of housing. It would also invite suggestions for mixed-use sites within which housing would be one of the main proposed uses.
15. While it would be open to anyone to respond to this consultation with suggestions for suitable sites, the primary purpose of such a consultation is to understand the intentions of landowners and developers since site allocations in local plans are required to be deliverable. It is important to highlight that undertaking a call for sites consultation does not mean that sites submitted through this process would ultimately be considered acceptable for residential development, but it would enable the relative merits of different sites to be evaluated. Any sites submitted will be brought to this Sub-Committee for detailed consideration.

16. Even if no sites were to be submitted, that would in itself provide useful information about the current state of the residential land market in the City and would strengthen the City Corporation's ability to argue at examination for a pragmatic interpretation of national policy in the Square Mile.

Stakeholder engagement

17. Over the next few months, it is also proposed to undertake informal engagement with stakeholders representing a range of interests, for instance to follow up on points raised in their consultation responses where appropriate, and to understand their views on the City's post-Covid recovery. Meetings will be arranged with the following organisations to help inform revisions to the City Plan:
- The GLA
 - Neighbouring boroughs
 - Statutory national bodies under the 'Duty to Cooperate' such as Historic England and the Environment Agency
 - The CPA and other business groups
 - Residents' associations and amenity groups
 - Utility companies/infrastructure providers
18. Other organisations and individuals that responded to last year's City Plan consultation will be contacted to offer the opportunity for discussions with officers if they wish to do so. Key messages from this exercise will be reported back to this Sub-Committee before the summer recess.

Corporate & Strategic Implications

19. The preparation of the City Plan is informed by the Corporate Plan (2018-23) and the new Plan, when adopted, will help to implement a number of Corporate Plan objectives. It will support the delivery of key Corporate priorities, along with proposals to ensure a sufficient supply of business space and complementary uses to meet future needs. Preparation of the revised Proposed Submission Draft will be undertaken alongside the review of the Transport Strategy and the revised end date of the City Plan (2040) will align with the key net zero target in the Climate Action Strategy.

Financial implications

20. As set out in the December report to the Grand Committee, approximately £220,000 has been spent to date on commissioning studies to support the City Plan over a 5-year period. It is estimated that at least £100,000 will be needed to update key parts of the evidence base plus potentially to prepare some additional evidence on post-Covid trends, along with additional 3D modelling work on the location of tall buildings. Currently there is provision for £120,000 in the Planning Policy Local Risk budget, which could be used to update evidence documents. However, additional funding will need to be found in the 2023/24 budget to cover the City Plan examination costs.

Staff Resource implications

21. Preparation of the revised pre-submission Regulation 19 City Plan will be carried out in-house by the Development Plans Team, working alongside and supported by Development and Design colleagues in the Planning Service and by other services as appropriate. In some cases, external consultants will be commissioned to undertake specific technical studies, with in-house staff managing the consultants' work. The staff resourcing of the Development Plans Team is being considered through the Target Operating Model process.

Legal implications

22. There are no specific legal requirements, other than the ongoing requirement to ensure that all relevant statutory processes are complied with during production of the City Plan.

Equalities implications

23. Preparation of the City Plan has been informed by an Integrated Impact Assessment which incorporates an Equalities Assessment. Any material changes to the Plan will be subject to further Equalities Assessment.

Risk implications

24. The December 2021 report to the Grand Committee identified the risks associating with preparing a revised pre-submission Regulation 19 City Plan as compared to submitting the current version for examination. The Grand Committee agreed to revise the City Plan and officers will continue to monitor and report back on any changes to the risk assessment as the project progresses.

Climate implications

25. The City Plan is one of the key mechanisms for achieving those targets in the Climate Action Strategy which relate to the Square Mile rather than the City Corporation's own operations, in particular the net zero target for the Square Mile by 2040. It is intended that the revised City Plan will further strengthen alignment with the Climate Action Strategy.

Security implications

26. There are no direct security implications. The draft City Plan includes policies on safety and security which attracted relatively few comments at the Regulation 19 consultation.

Conclusion

27. This report follows on from a report to the Grand Committee in December 2021, which identified a number of factors that have led to the need for material

changes to the draft City Plan. The Grand Committee agreed a new timetable to enable a revised version of the City Plan to be prepared and published for consultation, together with a change to the City Plan's end date to 2040 to align with the headline net zero target in the Climate Action Strategy.

28. This report provides more detail about the main areas of technical work needed to refresh the evidence base underpinning the City Plan, outlining the broad scope and timing of such work for agreement by the Sub-Committee. The report also outlines a proposed 'call for sites' consultation in relation to potential residential-led development and the informal engagement that is proposed to be undertaken with stakeholders to inform revisions to the draft Plan. Officers will report back to the Sub-Committee before the summer recess to outline key findings from these workstreams, together with initial thoughts on potential policy changes.

Appendices

- Appendix A: City Plan 2040 timetable
- Appendix B: Evidence base requirements in relation to key policy topics

Report author

Adrian Roche
Development Plans Team Leader

T: 020 7332 1846

E: adrian.roche@cityoflondon.gov.uk