

Committee(s)	Dated:
Planning and Transportation Committee Policy and Resources Committee Court of Common Council	31/01/2024 22/02/2024 07/03/2024
Subject: City Plan 2040	Public
Which outcomes in the City Corporation's Corporate Plan does this proposal aim to impact directly?	1,2,3,5,6,7,8,9,11,12
Does this proposal require extra revenue and/or capital spending?	Yes
If so, how much?	Around £250,000 for FY 2024/25
What is the source of Funding?	Additional funding may be required depending on budget allocations for FY 2024/25
Has this Funding Source been agreed with the Chamberlain's Department?	Budget setting for FY 2024/25 is ongoing
Report of: Bob Roberts, Interim Executive Director of Environment	For Decision
Report author: Rob McNicol, Assistant Director – Planning Policy and Strategy	

Summary

The City Plan 2040 is a new local plan for the City of London, setting the policies and strategic priorities that will guide the growth of the Square Mile up to 2040. The City Plan has been in production for a number of years, with initial 'issues and options' explored and consulted on in 2016, a draft plan consulted on in 2018/19, and a proposed submission version of the Plan produced and consulted on in 2021.

Over the last 18 months, new evidence has been produced and further informal engagement has taken place to inform the Plan. The City Plan has been amended to reflect the findings of evidence, to take into account the engagement responses received, and to align the Plan with other updated corporate strategies – work that has been informed by the advice of the Local Plan Sub-Committee. The Plan has also been updated in light of changes to the National Planning Policy Framework in December 2023.

This paper sets out the outcomes of engagement, the direction of the redrafted Plan and summarises the main changes to policies. It is proposed that this latest version of the City Plan is progressed through pre-submission consultation before being submitted to the Secretary of State for public examination.

Recommendation(s)

Members are asked to:

- Agree the proposed changes to the City Plan set out in Appendix 2 and that the City Plan 2040 (Appendix 3) be published for pre-submission consultation, subject to the approval of the Policy and Resources Committee and Court of Common Council;
- Agree that, following consultation, the City Plan, the public representations and other supporting documentation be submitted to the Secretary of State, for examination;
- Authorise the Planning and Development Director, in liaison with the Chair and Deputy Chair of the Planning & Transportation Committee, to compile a list of further changes to the City Plan in response to public representations and submit this to the Secretary of State; and
- Authorise the Planning and Development Director 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 City Plan 2040 has been in development for a number of years and has undergone extensive public engagement over this time:
 - 2016 – an issues and options consultation took place (the ‘regulation 18’ consultation)
 - 2018 – consultation on a draft local plan
 - 2021 – the first proposed submission version of the City Plan 2036 was published and consulted on (regulation 19 stage)
2. On 14 December 2021, this committee decided not to submit the City Plan 2036 to the Secretary of State immediately for examination but instead to undertake further evidence work and revise the City Plan in light of the issues raised during the pre-submission consultation. These issues are set out in the report to that committee and primarily related to:
 - Tall buildings and their impacts on heritage, including an issue of ‘non-conformity’ with the London Plan
 - Sustainability, in particular the approaches to embodied carbon and demolition
 - The need for more recent evidence on office and retail demand, given shifting working patterns and changes to shopping behaviours following covid-19
 - How inclusive approaches can be woven into more aspects of the City Plan, especially as the City aims to widen its appeal to visitors.

3. The work required to address these issues has been carried out over the last 18 months, and relevant changes have been made to the City Plan, as set out in this report and in appendix 1. That committee also decided to extend the end date of the City Plan to 2040, in order to align with the net zero carbon target for the Square Mile in the Climate Action Strategy and to allow for the Plan to cover a 15 year timeframe, as required by national policy.
4. In recent years, there have been a number of changes to the planning system and updated local strategies that have warranted and informed updates to the City Plan. These are discussed in relation to the relevant policies below, and include:
 - An updated National Planning Policy Framework (NPPF) published in December 2023, with the main changes for plan-making being to how housing requirements are calculated;
 - The introduction of requirements for development to deliver biodiversity net gain, set out in national legislation;
 - Changes to the use class order, bringing together retail and services, cafes and restaurants, some community uses and workspaces into a single use class, allowing change of use between them without the need for planning permission;
 - The introduction of the City Corporation's flagship Destination City vision, to transform the Square Mile into a leading destination for leisure, culture and recreation;
 - Updates to the City Corporation's Transport Strategy;
 - A new Sports Strategy for the City Corporation.

Informal Public Engagement

5. During the summer of 2023, informal public engagement was undertaken to inform changes to the City Plan 2040. Ten public events were held, split between those covering specific themes and those related to the City's seven Key Areas of Change. Online engagement through the Planning Division's Commonplace platform was also carried out. The main issues raised during the consultation are summarised below.

Healthy Streets and Spaces

6. This session explored the potential and challenges for the City's streets and open spaces. Participants identified the following priorities for the revised City Plan:
 - Greater provision and quality of publicly accessible open space at ground level; places to relax, rest and spend time – especially near the Thames;
 - More roof gardens, ensuring they are inclusive and welcoming for all;
 - More childcare, school and health facilities;
 - Better quality and greater access to play space, particularly near residential areas and near attractions for families;

- To ensure suicide prevention measures are incorporated into the design of high level spaces;
- To address overcrowded streets and spaces;
- To encourage temporary events, exhibitions, pop-up activities and street markets;
- To create a greener public realm;
- To improve cycle parking, particularly near busy areas.

Future Office Needs

7. This session explored how the qualitative and quantitative demand for office floorspace has changed and is likely to influence office supply over coming years. Participants identified the following priorities for the revised City Plan:
- The need to address challenges faced by grade B office stock, potentially allowing greater flexibility to change use;
 - Finding the right balance in meeting demand, seeking to meet future office demand in sustainable ways;
 - Opening up office lobbies and making them more welcoming spaces that contribute to the life of the City;
 - Make better use of empty shops, particularly when affected by office developments;
 - Ensure the City has high quality public realm and leisure and cultural facilities, reflecting the standing of the Square Mile as a world-class office location.

Tall buildings and heritage

8. This session explored how the City Plan's tall buildings approach can reflect the requirements of the London Plan; how to strike a balance between the development of tall buildings and the impacts on historic buildings and areas; and how tall buildings can positively contribute to the Square Mile. Participants identified the following priorities for the revised City Plan:
- The need to minimise harm to heritage assets;
 - The need to celebrate our heritage and the City's hidden gems;
 - Need for tall buildings to have good quality public realm around them;
 - The juxtaposition of old and new and different styles remaining a key part of the Square Mile's character;
 - A greater variety of public experiences in tall buildings;
 - Using tall building clusters to deliver greater sustainability benefits;
 - The need to ensure appropriate flexibility over the precise height of tall buildings while giving clarity over suitable heights.

Culture and Destination City

This session explored the role of cultural attractions in the City, and the way that development can help to create a 'Destination City' for the Square Mile. Participants identified the following priorities for the revised City Plan:

- The need to celebrate the City’s hidden gems;
- Encouraging an active street culture, with public spaces that have markets, spill-out space, events and activities;
- Make more of the north bank of the Thames;
- Ensure we have the right facilities and complementary uses – public toilets, open spaces, food and drink – to complement cultural and leisure offers;
- Clear signs and wayfinding, and inclusive approaches to public welcome, particularly for spaces accessed through buildings such as roof terraces.

Sustainable Development

This session explored how development in the City can assist in meeting our net zero targets and enable the City to adapt to the changing climate. Participants identified the following priorities for the revised City Plan:

- The need to shift the culture away from ‘demolition first’ to ‘retrofit first’;
- Promoting retrofit while recognising that this may not be feasible for all buildings;
- Explore change of use to incentivise retrofit, while ensuring this doesn’t result in low quality conversions;
- Prioritise long-term planning for sustainable power and energy infrastructure;
- Ensure new buildings can be adapted and updated in the long term, reducing the need for future demolition.

Key Areas of Change

Engagement sessions were held for the Key Areas of Change, exploring what people value about each area and how development can support positive change in each area. These are summarised in the table below:

Key Area of Change	Engagement feedback
City Cluster	<p>People value:</p> <ul style="list-style-type: none"> • Leadenhall Market • City Skyline and views of and from tall buildings • Iconic architecture <p>Priorities for change:</p> <ul style="list-style-type: none"> • Reinvigorating Leadenhall Market • Capitalising on existing and emerging attractions and the area’s connectivity • Creating improved public realm and walking and cycling routes • More active frontages
Liverpool Street	<p>People value:</p> <ul style="list-style-type: none"> • Liverpool Street station • Connectivity to other places <p>Priorities for change:</p>

	<ul style="list-style-type: none"> • Improvements to the public realm along Bishopsgate, particularly near the station entrance • Improvements to the arrival experience at Liverpool Street station • Safer streets, enhanced public realm and improved walking and cycling across the area
Aldgate, Tower and Portsoken	<p>People value:</p> <ul style="list-style-type: none"> • Green open spaces • Local shops • Housing <p>Priorities for change:</p> <ul style="list-style-type: none"> • Enhancements to the public realm • More places to sit, relax and socialise • Better cycling routes • More and improved play and open spaces • Ensuring new development doesn't unduly affect residential areas • Need for social infrastructure, particularly GP surgeries • Local shops to serve resident population
Barbican and Smithfield	<p>People value:</p> <ul style="list-style-type: none"> • Cultural uses and heritage • Green open spaces and biodiversity • Housing and the residential feel of parts of the area <p>Priorities for change:</p> <ul style="list-style-type: none"> • Better walking and cycling routes, including improvements to Beech Street • More places to relax, enjoy and spend time • Enhancing the area's culture offer, including its existing 'hidden gems' like St Bartholomew the Great
Fleet Street and Ludgate	<p>People value:</p> <ul style="list-style-type: none"> • The area's historic courts and alleys • The Fleet Street thoroughfare • The area's historic and cultural attractions <p>Priorities for change:</p> <ul style="list-style-type: none"> • Enhancing Fleet Street, creating more activity and reinvigorating the retail offer • Places to socialise and spend time • Better walking and cycling routes

	<ul style="list-style-type: none"> • Opportunities for meanwhile use
Blackfriars	<p>People value:</p> <ul style="list-style-type: none"> • Public space along the riverfront <p>Priorities for change:</p> <ul style="list-style-type: none"> • Generous public open spaces • Enhancements to the riverside walk • Improved connectivity to the riverside • Tackling the impermeability of the area and the unattractive character of many buildings • Exploring opportunities for the undercroft to the west of Blackfriars Bridge
Pool of London	<p>People value:</p> <ul style="list-style-type: none"> • The Thames riverside walk <p>Priorities for change:</p> <ul style="list-style-type: none"> • Enhancing the riverside walk • Creating inclusive public open spaces by the river • Improvements to walking and cycling in the area, especially the accessibility of the riverfront walk which is overly narrow in places • Need for improved retail, leisure and cultural offer

9. The priorities identified have informed the latest version of the City Plan 2040. Appendix 1 to this paper sets out the changes made to the plan and how the informal engagement informed those changes.

The Revised City Plan 2040

10. This latest version of the City Plan takes the City Plan 2036 (consulted on in 2021) as its starting point. While changes have been made, it remains consistent in many ways with the previous version of the Plan. The subject and approach of many policies remains as before, and the strategic priorities (which have been added in this version) are based on the spatial strategy from the previous version. The overall approach in the Plan is similar to earlier versions; recent evidence and the public engagement have informed changes but have on the whole broadly confirmed that the direction of travel of the 2021 version remains a sound approach to planning for the future of the Square Mile.
11. Two versions of the City Plan 2040 have been appended to this paper. Appendix 2 sets out the City Plan as a ‘tracked change’ version, showing the amendments compared to the City Plan 2036. Appendix 3 sets out a ‘clean’ version of the City Plan 2040. Many of the changes that have been made to the Plan are to

eradicate duplication and make it a more usable document. More substantive changes are highlighted in this report.

Chapter 1 – Strategic Priorities

12. The City Plan 2040 covers a wide range of issues, and it is important that the Plan has clear priorities for its delivery. Identifying ‘strategic priorities’ is also a requirement of legislation. Chapter 1 of the Plan sets these priorities out, and these underpin the strategic policies that form the backbone of the Plan. These priorities build on earlier versions of the City Plan, and have been informed by engagement work, evidence and relevant strategies.

Chapter 2 – Spatial Strategy

13. The ‘key diagram’ in this chapter sets out the overall spatial vision for the growth of the Square Mile. It identifies the Key Areas of Change, where we envisage transformational growth over the lifetime of the Plan. It identifies residential areas, where the Plan seeks to focus residential growth; existing and forthcoming major visitor destinations; key heritage assets; major improvements to the street network; green areas; the City’s principal shopping centres; the legal cluster in the west of the City, including the Temples; and riverside features such as the riverside walk, Walbrook Wharf and planned open spaces along the river.
14. The spatial strategy for the Plan sets out at a high level how those policies with a spatial element will affect different parts of the Square Mile, for example covering where the City will see the most substantial office growth.

Chapter 3 – Health, Inclusion and Safety

15. This chapter helps to realise a range of strategic priorities, particularly creating a more inclusive, healthier and safer City for everyone.
16. The built environment can be a significant determinant of health outcomes, and this chapter seeks to create a healthier City by promoting buildings designed with health in mind; improving air quality; creating and protecting quieter spaces in the City; protecting health facilities and promoting new ones in suitable locations; tackling noise; managing construction; requiring the provision of public toilets in appropriate development; and requiring health impact assessments. Health is addressed in many other areas of the City Plan, including through the promotion of the Healthy Streets Approach in Chapter 10 and the creation of new and improved open spaces in Chapter 12.
17. This chapter also seeks to promote sports, recreation and play in the City, protecting existing facilities and encouraging new ones in appropriate locations, reflecting the aims of the City Corporation’s Sports Strategy.
18. Inclusion is threaded through many aspects of the City Plan. This chapter includes an overarching policy on inclusive buildings and spaces, requiring high

standards of accessibility and inclusive design, including through the use of equality impact assessments and by requiring the provision of spaces that are free to access. Many other parts of the City Plan also highlight the need for inclusive approaches, including policies on play areas (see policy HL9); the need for affordable housing and the design of new housing (see Chapter 4); promoting inclusive working environments (see policy OF1); securing inclusive public realm (see policy DE3) and ensuring elevated public spaces and cultural, leisure and recreation offers are welcoming and inclusive for everyone (see policy DE5). Inclusion is also addressed in a number of the Key Areas of Change, particularly to ensure that areas such as the Pool of London provide inclusive, free to access public areas.

19. Strategic Policy S2 addresses safety and security, seeking to ensure development contributes to wider security and treats safety and security as inherent parts of site design. Elsewhere in the Plan, policy DE5 (Terraces and Elevated Public Areas) highlights the need for these spaces to address safety and security risks at design stage, including to reduce the potential for suicide or falling. The transport policies in Chapter 10 also seek to create a safer environment for everyone on and around the City's streets. Policy DE9 on lighting seeks to ensure that the lighting of new development, and in particular the public spaces around buildings, takes into consideration public safety.

Chapter 4 – Housing

20. This chapter sets out how the City Plan will meet the requirements of the London Plan and national policy in delivering housing in the City. Policy S3 (Housing) identifies the housing provision required for the City Plan, and this has been informed by an update to the City Corporation's Strategic Housing Market Assessment.
21. Since the Regulation 19 consultation, work has been undertaken to establish the best approach to meeting the City's housing requirement. The option of identifying specific sites was explored; however, a 'call for sites' exercise yielded limited developer interest for housing development in the Square Mile. Given the strong track record of delivery through 'windfall', ie unidentified sites, over the longer term, the City Plan 2040 continues this approach while providing greater certainty over the areas that would be suitable for new housing by identifying them clearly on a map (see Policy HS1 – Location of New Housing).
22. This chapter has also been amended to reflect changes to the NPPF, published in December 2023. These are set out below in paragraphs 59-64.

Chapter 5 – Offices

23. This chapter continues the City Corporation's long-standing approach of supporting economic and employment growth in the City through the delivery of additional office floorspace; resisting the loss of existing offices in many instances; and seeking to encourage investment in existing office stock. This approach also reflects the requirements of the London Plan, which promotes employment growth in the City in particular.

24. The chapter has been informed by a report by Arup/Knight Frank for the City Corporation, which identified strong positive demand for office floorspace over the lifetime of the City Plan.
25. Policy OF1 (Office Development) seeks to prioritise retrofitting of existing buildings, in line with the 'retrofit first' approach set out in Chapter 9 of the City Plan. It also requires office design to be of a high standard, with supporting text recognising the role office lobbies could play in supporting the wider life of the Square Mile.
26. The 'retrofit fast track' has been introduced in policy OF2 (Protection of Existing Office Floorspace). This allows a route to convert existing office buildings to a hotel, education or cultural use provided that the office is not strategically important and that it has been marketed as an office. This strikes a careful balance between seeking to promote investment in existing offices, incentivising retention of buildings where a change of use is being pursued, and recognising the challenges some grade B offices face in meeting market demand.

Chapter 6 – Retail

27. This chapter has been informed by recently completed retail evidence, which shows that over the long term there remains strong demand for retail uses in the Square Mile, supported by a growing workforce and increased visitor footfall. The evidence recognises that there is a current over-supply of retail premises in the Square Mile and relatively higher vacancy rates; however these are expected to reverse over coming years and it's important that the planning system takes a long-term stance.
28. The policy takes a more flexible approach to retail and related uses, seeking to promote more diversity of active frontages across the City and in the Principal Shopping Centres. This will enable businesses greater opportunity to start and scale up, and reflects the introduction of Class E use class by the government, which widens the range of uses between which premises can change without the need for planning permission.

Chapter 7 – Culture and Visitors

29. The City Corporation's Destination City vision has had a significant impact on this chapter, which recognises the crucial role that culture and visitors will have to play in creating a more vibrant Square Mile that is a welcoming destination for everyone.
30. Policy S6 (Culture and Visitors) seeks the development of a wide range of cultural, leisure and recreational facilities across the City. It provides links to the Culture Planning Framework, which is currently under development, and which will set out a framework for how new development can support the cultural life of different parts of the Square Mile, informed by extensive research.

31. Policy CV2 (Provision of Arts, Culture and Leisure Facilities) requires the provision of arts, culture or leisure facilities in major developments, commensurate with their size. This builds on recent successes secured through the planning system such as the Migration Museum, and complements the delivery of elevated public spaces in tall buildings (as required in Policy DE5 (Terraces and Elevated Public Spaces)).
32. Policy CV4 (Hotels) sets out a positive approach to the provision of visitor accommodation, reflecting recent evidence from Avison Young for the City Corporation.

Chapter 8 – Infrastructure

33. This policy seeks to deliver infrastructure and utilities provision for the City that supports its functions and seeks to deliver a net zero and climate resilient Square Mile. It requires developers to engage with infrastructure providers and take steps to minimise demand for power, water and utility services. The approach in the chapter has been informed by the City Corporation's Utilities Infrastructure Strategy and the Local Area Energy Plan.

Chapter 9 – Design

34. The design of buildings and spaces plays a vital role in ensuring development is sustainable, makes a positive contribution to the City's aesthetic qualities, and meets the requirements of all users. Policy S8 (Design) sets out a range of requirements covering issues ranging from sustainable design, form and layout, experience of spaces, and the quality and character of buildings.
35. Policy DE1 (Sustainable Design) sets out a 'retrofit first' approach, requiring all major development to undertake options appraisal to identify the most sustainable and suitable approach for the site. The policy also sets high standards for environmental performance of new buildings, approaches that mitigate climate impacts, and design that is informed by circular economy approaches.
36. The remainder of the chapter addresses a range of issues, seeking to ensure development is of an exemplar standard of design, aesthetics and architectural detail; that development helps to enhance the City's public realm, including through making it more inclusive and accessible; encourages roof terraces where suitable, and requires a broad range of elevated public spaces in tall buildings and major developments.
37. This chapter also addresses shopfronts, advertising, daylight and sunlight, and lighting, with the latter reflecting the innovative approach set out in the recently-adopted Lighting Supplementary Planning Document.

Chapter 10 – Transport

38. This chapter has been informed by the City Corporation's Transport Strategy. It sets out how development should seek to enable the vision of the Transport

Strategy, prioritising people walking and wheeling while facilitating the servicing of the Square Mile in sustainable ways, for example through consolidation. Policies seek to ensure development reinforces the Healthy Streets Approach, address freight and servicing and vehicle parking; promote the use of the river Thames for transport; enhance permeability and wayfinding; and facilitate pedestrian movement, active travel and cycling.

Chapter 11 – Heritage and Tall Buildings

39. Policy S11 (Historic Environment) seeks to ensure the City's historic environment will be protected, celebrated and positively managed. It recognises the importance of the City's many heritage assets and their role both for the City and more broadly, as well as the importance of the Tower of London World Heritage Site. Policy HE1 (Managing Change to the Historic Environment), which seeks to ensure development proposals preserve and enhance heritage assets and their setting. This policy also identifies the importance of the immediate setting of The Monument and Bevis Marks Synagogue.
40. Policy S12 (Tall Buildings) sets out a comprehensive approach to managing tall building proposals in the Square Mile, responding to responses received during the earlier Regulation 19 public consultation and the issues of non-conformity raised by the Mayor of London. The policy sets out how tall buildings should be clustered and the appropriate heights within these areas. It also sets out the importance of considering both local heritage assets and other factors, and the need for exemplar architectural quality and sustainable and accessible building design.
41. This approach has been informed by extensive evidence including characterisation work, exploring the suitability of areas for tall buildings; three dimensional computer modelling of potential tall building heights; and assessments of views and the impact on key heritage assets.
42. The City Plan 2040 was due to be considered by the Planning and Transportation Committee in November 2023 but was withdrawn due to imminent changes to the NPPF. Since that version was published, further refinements have been made to policy S12, following legal advice, to ensure that the policy and supporting diagrams successfully comply with the London Plan 2021.
43. Policy S13 (Protected Views) sets out requirements for protecting and enhancing views and the skyline, recognising the importance and continuing the long-standing approach to St Paul's Cathedral, the Tower of London World Heritage Site and the Monument.
44. Representations have been received in recent weeks from Bevis Marks Synagogue in relation to Policy HE1 (managing change to the historic environment) and how it addresses the setting of the Synagogue. City Corporation officers have liaised with representatives from the Synagogue and have sought to reach an agreed position. However, the changes being proposed by the Synagogue are significant and any changes such as these should be

considered as part of the formal Regulation 19 consultation stage; this would allow all interested stakeholders to make representations regarding the policy and evidence base, and for these to be considered holistically. Documents submitted by the Synagogue have been appended to the Consultation Statement.

Chapter 12 – Open Spaces and Green Infrastructure

45. Policy S14 (Open spaces and green infrastructure) seeks to protect existing open and green spaces and provide new ones through development and other measures.
46. The chapter also seeks to enhance the City's biodiversity through new development, instigating a new approach to biodiversity that builds on the recently introduced national approach while tailoring it to the City's circumstances.
47. This chapter also supports urban greening and the provision of trees.

Chapter 13 – Climate Resilience

48. This chapter seeks a range of measures to help make the City more resilient as development comes forward, helping to minimise the urban heat island effect and the risk of flooding, implement sustainable drainage systems, reduce and manage the City's waste in sustainable ways.

Chapter 14 – The Temples, the Thames Policy Area and the Key Areas of Change

49. This chapter begins with a revised policy on the Temples (policy TP1), setting out that the Plan will support its broad range of education, training and other facilities as well as the balance between professional and residential accommodation.
50. The Thames Policy Area sets out how the City will seek to enhance this important part of the City, the enjoyment of the Thames and its use for transport including waste and freight.
51. The Blackfriars Key Area of Change (policy S18) sets out a range of measures and spatial requirements to make the area more welcoming and vibrant, including through the provision of new and enhanced public realm, transforming the built environment, and enhancing its heritage and cultural assets.
52. The Pool of London Key Area of Change (policy S19) seeks measures that will make the area more inclusive, welcoming and accessible, maximising the opportunities for increasing public realm and optimising the use of heritage.
53. The Aldgate, Tower and Portsoken Key Area of Change (Policy S20) promotes the area as a mixed use area with a mix of residential, commercial and other uses. It also seeks to meet the needs of residents through the use of funding

sources to help deliver social infrastructure and other facilities, and seeks to facilitate the regeneration of the Mansell Street estate. Public realm and open space enhancements will also be sought.

54. The City Cluster Key Area of Change (Policy S21) sets out the need to accommodate significant office growth in this area including through the construction of tall buildings. It seeks complementary leisure, culture and retail uses to support the primary office function, and improvements to and new open space. The policy also requires development to have regard to the immediate setting of Bevis Marks Synagogue.
55. The Fleet Street and Ludgate Key Area of Change (Policy S22) seeks to promote the area through encouraging greater diversity of retail, leisure and culture activity, encouraging office-led redevelopment, improving key streets and junctions, and enhancing the processional route along Fleet Street and views of St Paul's Cathedral.
56. The Smithfield and Barbican Key Area of Change (Policy S23) seeks improvements to the area through culture-led development on major sites, enhancements to the public realm such as Beech Street, and seeking to preserve privacy, security and noise abatement for residents and businesses in the area.
57. The Smithfield policy (S24) recognises the potential for the future re-use of the Smithfield Market buildings and the need for development in the area to celebrate and promote the heritage of this site and other historic buildings.
58. The Liverpool Street Key Area of Change (policy S25) seeks to enhance this area, capitalising on its connectivity, promoting a welcoming visitor experience and providing a mix of retail and other active frontages at ground floor. The policy supports improvements to and accessibility of the station and adjacent areas.

Chapter 15 – Implementation

59. This chapter sets out the types of contributions that will be expected to be provided by relevant development, including through Section 106 and the Community Infrastructure Levy (Policy S27: Planning Contributions). It also sets out how the City Corporation will expect developers to approach viability, and sets out how the City Plan will be monitored.

Diagrams and Policies Map

60. Diagrams in the City Plan have been updated to reflect the policies set out in this paper. The City Plan is accompanied by a Policies Map suite, which sets out in detail the specific areas to which relevant policies apply. Appendix 4 of this paper includes the four policies maps, and sets out the changes made to the policies map compared to the adopted 2015 version of the Local Plan, as required by legislation.

Changes to the City Plan 2040 following publication of the revised NPPF

61. In December 2023, the Government published a revised National Planning Policy Framework (NPPF). This followed a consultation early in 2023 on draft proposed changes to the NPPF, not all aspects of which were taken forward in the final version. Because of the imminent publication of the revised NPPF, the City Plan was withdrawn from the Planning and Transportation Committee in November 2023. This short delay has allowed the City Plan to reflect the revised NPPF, preventing the need for further revisions at a later stage.
62. The main shift for plan-making in the revised NPPF relate to technical aspects of how the housing requirement for local planning authorities is calculated. The new NPPF makes it clear that the starting year for calculating the housing requirement and establishing capacity should be the intended year of adoption of the Local Plan; for the City Plan this is financial year 2025/26. The new NPPF also removes the need to increase the housing requirement of the first five years of the plan period by a 'buffer' of either five or ten percent, depending on certain circumstances. (The requirement for a 20% buffer remains if there is significant past under-delivery of housing in the local planning authority's area; this is not the case for the City Corporation.) These national policy changes have been reflected in the City Plan 2040.
63. The new NPPF clarifies that the outcome of the standard methodology for calculating housing need is "an advisory starting-point for establishing a housing requirement for the area" (NPPF, paragraph 61). While this change has received news coverage, it is merely confirming the pre-existing position. Given the relatively low housing requirement set by the standard method for the Square Mile, and evidence of average annual past delivery exceeding this amount, the City Plan does not propose to deliver less than the standard methodology calculation. The housing requirement is also informed by the housing target set in the London Plan 2021.
64. The new NPPF includes transitional arrangements for local plans, making clear that any plans that reach the 'regulation 19' pre-submission stage after 19 March 2024 will be considered against the new NPPF. This will be the case for the City Plan.
65. There were also changes proposed in a consultation on the new NPPF that have not been taken forward. The new NPPF does not remove the test that plans need to be justified in order to be considered sound. If this change had been taken forward there could have been implications for the evidence base of the City Plan. Another potential change that has not been made was a reference to past over-delivery when considering plan-making.
66. There are a number of other minor technical amendments to the NPPF in relation to plan-making; these broadly formalise existing practice and are already reflected in the City Plan and its evidence base.

Next Steps

67. Further proofing and minor modifications that do not materially affect policies may be required to the City Plan 2040, as well as reformatting to make the document as user-friendly and accessible as possible. Delegated authority is sought for the Planning and Development Director to make these amendments prior to the Regulation 19 consultation starting in February 2024.
68. Subject to approval by this Committee, the City Plan 2040 will be considered by the Policy and Resources Committee in February and the Court of Common Council in March 2024.
69. From March 2024 there will be a 'regulation 19' public consultation, running for a minimum of six weeks (in accordance with the Statement of Community Involvement). The scope of this consultation is to establish whether respondents consider that amendments should be made to the Plan; these responses are submitted together with the Plan to the Secretary of State for public examination by the Planning Inspectorate. The Planning and Development Director, in liaison with the Chair and Deputy Chair of the Planning & Transportation Committee, will, if necessary, compile a list of further changes to the Local Plan in response to public representations and submit this to the Secretary of State.
70. Formal Examination hearings are then likely to take place later in 2024, with adoption of the new Local Plan scheduled for 2025. Once adopted the City Plan 2040 will be part of the statutory development plan for the City of London. In determining planning applications, the City Corporation will be required to have regard to the provisions of it so far as material to the application (Section 70 of the Town and Country Planning Act 1990) and are required to determine applications in accordance with the development plan unless material considerations indicate otherwise (Section 38(6) of the Planning and Compulsory Purchase Act 2004).

Corporate & Strategic implications

71. The preparation of the City Plan is informed by and will contribute to the implementation of the Corporate Plan (2018-23). The City Plan 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. The City Plan has been discussed with colleagues developing the new Corporate Plan to ensure consistency wherever possible. Preparation of the revised City Plan is being 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

72. The City Plan is a statutory function that the Corporation are required to deliver. While the costs of drafting and consulting on the City Plan up to Regulation 19 stage can be met from existing budgets for FY 2023/24, the cost of public examination are substantial, particularly related to the fees for Planning Inspectors, the costs of a programme officer to facilitate the examination, advice

from Counsel on key issues, and potential need to undertake further evidence depending on the outcome of the regulation 19 consultation. These costs can vary substantially depending on the length of the public examination hearings and the complexity of issues raised during regulation 19 consultation.

73. The City Corporation holds a reserve of funds for the local plan; however, this will not cover the full costs and would not be replenished. Discussions with the Chamberlains' Department regarding the departmental budget for financial year 2024/25 are ongoing and there are no immediate unfunded financial barriers to continuing to regulation 19 consultation.

Staff Resource implications

74. Preparation of the revised pre-submission Regulation 19 City Plan is being 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.

Legal implications

75. 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.
76. Paragraph 48 of the NPPF states that local planning authorities may give weight to relevant policies in emerging plans according to:
- a) the stage of preparation of the emerging plan (the more advanced its preparation the greater the weight that may be given);
 - b) the extent to which there are unresolved objections to relevant policies (the less significant the unresolved objections, the greater the weight that may be given); and
 - c) the degree of consistency of the relevant policies in the emerging plan to this Framework (the closer the policies in the emerging plan to the policies in the Framework, the greater the weight that may be given).

77. Once the Court of Common Council has approved the City Plan 2040 for Regulation 19 consultation it will be a material consideration to be taken into account in determining planning applications. The weight to be given to it will increase as the plan advances through the process in accordance with paragraph 48 of the NPPF.

Equalities implications

78. An Equality Impact Assessment of the City Plan 2040, including the latest amendments, have been undertaken and these demonstrate that the effects of the plan will be broadly positive. There are no major negative impacts as a result of the City Plan. Any material changes to the Plan following Regulation 19 consultation will be subject to further Equality Assessment. The Public Sector Equality Duty has informed the development of the Plan throughout its production. The EqlA is appendix 5 to this report.

Risk implications

79. 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

80. The City Plan is one of the key mechanisms for achieving the targets in the Climate Action Strategy that 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, and tackling climate resilience. Many policies in the Plan seek to address climate issues, particularly policies on sustainable development and the the retention of existing buildings, including for offices.

Security implications

81. Policies in the City Plan seek to ensure the Square Mile remains resilient to security requirements, especially as new developments come forward in the City.

Conclusion

82. The report sets out the main issues addressed in the City Plan 2040 and the matters that have informed proposed amendments to the policies and structure of the City Plan, including public engagement, changes to the NPPF, recent evidence and corporate strategies. The revised Plan sets out a sustainable approach to development in the City, with changes addressing the key issues raised during previous consultations and arising from recent evidence.

Background Papers

The City Plan 2040 is supported by an extensive evidence base, which has been published on the City Plan website. This evidence base consists of the following documents:

Evidence document	Consultancy (where relevant)	Category
Biodiversity Net Gain	Greengage	Green infrastructure
Urban Greening Factor Study	Green Infrastructure Consultancy	Green infrastructure
City of London Future of Office Use City Plan 2040	Arup/Knight Frank	Offices
Office Topic Paper City Plan 2040	N/A	Offices
Strategic Housing Market Assessment 2023	N/A	Housing
Housing Topic Paper City Plan 2040	N/A	Housing
Visitor Accommodation Needs Study 2023	Avison Young	Hotels

City of London Retail Needs Assessment October 2023	Colliers	Retail
Cultural Planning Framework	Publica	Culture
Tall buildings topic paper	N/A	Tall buildings and heritage
Tall buildings volumetric testing, parts 1, 2A and 2B (split into 13 PDF documents)	Millerhare	Tall buildings and heritage
Strategic views impact assessment	Townscape Consultancy	Tall buildings and heritage
Heritage impact assessment – Tower of London World Heritage Site	Townscape Consultancy	Tall buildings and heritage
Heritage impact assessment – The Monument	N/A	Tall buildings and heritage
Heritage impact assessment – St Paul’s Cathedral	Townscape Consultancy	Tall buildings and heritage
Bevis Marks Synagogue Immediate Setting Topic Paper	N/A	Tall buildings and heritage
Infrastructure Delivery Plan	N/A	Infrastructure
Waste Topic Paper	N/A	Waste
City Plan Health Impact Assessment 2024	Quod	Assessments
Sustainability Appraisal	LUC	Assessments
Habitats Regulations Assessment	LUC	Assessments
Viability Assessment	BNP Paribas	Assessments
Equality Impact Assessment	Quod	Assessments
City Plan 2040 Consultation Statement 2023	N/A	Consultation

Appendices (Circulated separately in supplementary agenda pack)

- Appendix 1 – Summary of changes to the City Plan policies
- Appendix 2 – City Plan 2040 – policy text changes
- Appendix 3 – City Plan 2040 – revised proposed submission version (March 2024)
- Appendix 4 – City Plan 2040 Policies Maps
- Appendix 5 – Equality Impact Assessment (City Plan 2040)

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