

Report – Planning and Transportation Committee

City Plan 2040

To be presented on Thursday 7th March 2024

*To the Right Honourable The Lord Mayor, Aldermen and Commons
of the City of London in Common Council assembled.*

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.

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. The latest position was considered in detail by your Planning and Transportation Committee at its meeting on 31 January 2024, and your Policy and Resources Committee at its meeting on 22 February 2024. Following this consideration, your Committees took the view that it would endorse the officer recommendations. [The full report and appendices are available online.](#)

RECOMMENDATIONS

That this Honourable Court –

1. **Agrees** 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;
2. **Agrees** that, following consultation, the City Plan, the public representations; and other supporting documentation be submitted to the Secretary of State, for examination;
3. **Authorises** 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
4. **Authorises** 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, your Planning and Transportation 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 Appendix 1 of the report which was considered by your Planning and Transportation Committee on 31 January 2024 and Policy and Resources Committee on 22 February 2024. On 14 December 2021, your Planning and Transportation 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.
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 priorities identified informed the latest version of the City Plan 2040. The main issues raised during the consultation were summarised in the report to your Planning and Transportation and Policy and Resources Committees and Appendix 1 to this report set out the changes made to the plan and how the informal engagement informed those changes.
 6. 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.
 7. Extensive evidence has been produced to inform the City Plan 2040. This has included work on office demand, which shows a need for a minimum 1.2m additional square metres of office floorspace up to 2040. Trends in recent months since this work was finished suggest that demand may well outstrip this 1.2m sqm figure – reinforcing the importance of this figure being set as a minimum.
 8. Work has also been undertaken on characterisation of different parts of the Square Mile, to understand their capacity for growth and tall buildings in particular, alongside assessments of strategic views and potential heritage impacts of strategic landmarks. This work identified two areas – the City Cluster and the Fleet Valley – as potentially being suitable for tall buildings. Digital 3D modelling has been used to identify potential maximum heights for tall buildings in these areas, to comply with the requirements of the London Plan and overcome the non-conformity issue raised by the Mayor of London. Capacity modelling, informed by tall buildings work, has shown that there could be potential for around 1.4m square metres of additional office floorspace in the City. Around 85% of this floorspace is within the City Cluster tall building area identified in the City Plan, reinforcing the importance of this area as a tall building cluster to deliver strategically important quantities of employment floorspace for the City and London as a whole.
 9. Other evidence has been developed to inform updated policies including evidence on biodiversity, hotel demand, housing need, retail demand, and other areas.
 10. The appendices to the report considered by your Planning and Transportation and Policy and Resources Committee includes Appendix 2 which sets out the City Plan as a 'tracked change' version, showing the amendments compared to the City Plan 2036. It also includes Appendix 3 which 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. Diagrams in the City Plan have

been updated to reflect changes. 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 to that report 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.

11. 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. 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; these changes have been reflected in the City Plan 2040.

Next Steps

12. 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. Authorisation is sought for the Planning and Development Director to make these amendments prior to the Regulation 19 consultation.
13. Subject to approval by Honourable Members, 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.
14. 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).

Conclusion

15. 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.

Appendices

- Appendix 1 – Implications Report

Background Documents

- The report outlining the results of the public consultation, analysis and conclusions considered by your Planning and Transportation Committee at its meeting on 31 January 2024 and your Policy and Resources Committee at its meeting on 22 January 2024, along with an addendum report,
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 and
Appendix 5 – Equality Impact Assessment (City Plan 2040) are [available online](#).
- The City Plan 2040 is supported by an extensive evidence base, which has been published on the City Plan website - [Local Plan review: Draft City Plan 2040 - City of London](#)

All of which we submit to the judgement of this Honourable Court.

DATED this 22nd day of February 2024.

SIGNED on behalf of the Committee.

Deputy Shравan Joshi MBE
Chairman, Planning and Transportation Committee