ITEM 9(A)

Report – Planning & Transportation Committee

Reform of Planning Committees – Outcomes and Proposed Implementation

To be presented on Thursday, 8th October 2026

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

SUMMARY

The Government's planning reforms, enabled through the Planning and Infrastructure Act 2025 and the Town and Country Planning (Discharge of Local Authority Functions) Regulations 2026 (the "Regulations"), require local planning authorities to bring their governance arrangements in line with the Regulations before 31 October 2026. The reforms introduce a national scheme of delegation, restrict planning decision-making committees to a maximum of 13 members, and establish new arrangements for the referral and determination of planning applications. The City Corporation must therefore update its governance framework, including its Scheme of Delegations and committee structures, to ensure the continued lawful operation of its planning functions and to provide clarity with regards to decision-making.

A range of options were put forward and considered by your Planning & Transportation Committee and your Policy & Resources Committee, considering governance, operational and legal factors. Your Planning & Transportation Committee and your Policy & Resources Committee recommend the introduction of a multiple Panel system, which it considers has the benefit of offering wide democratic oversight and engagement, a diversity of opinion and a system that will better serve the City of London community.

The report also proposes consequential amendments to the Officer Scheme of Delegations and the Planning & Transportation Committee Terms of Reference.

Subject to approval, the proposed amendments will allow the City Corporation to implement the required changes ahead of the Regulations coming into force on 31 October 2026.

RECOMMENDATION

It is recommended that Members of this Honourable Court:

1) Approve the necessary amendments to the following governing documents, to enable compliance with the new requirements for the discharge of local planning authority functions set out in the Town and Country Planning (Discharge of Local Authority Functions) Regulations 2026 ("the Regulations"), namely:

   a) the Officer Scheme of Delegations as set out in Appendix 5;

   b) the Planning & Transportation Committee Terms of Reference, as set out in Appendix 3; and

c) the Planning Applications Sub-Committee (PASC) Terms of Reference, as set out in Appendix 4.

2) Note the legislative requirement to reduce the size of any body considering planning applications to no more than 13 and, as such:

   a) approve the key assumptions set out at paragraph 10; and

   b) approve the adoption of a multiple Panel system, with the composition, terms of reference and operational Protocol for this set out at Appendices 4, 5 and 6.

3) To approve that all future amendments to the constitution of the Planning Applications Sub-Committee to sit within the remit of the Planning and Transportation Committee, bringing its governance in line with its other sub committees;

4) To approve that all planning functions not dealt with by the Regulations will continue to be exercised in line with current arrangements (subject to the minor modifications shown tracked), as set out in Appendix 5 (Officer Scheme of Delegation).

5) To approve that the draft Protocol for Planning Applications Sub-Committee Arrangements (Appendix 6) be adopted and incorporated as an appendix to the overarching pre-existing Planning Protocol, and that this Honourable Court grants authority for future changes to the Protocol for Planning Applications Sub-Committee Arrangements to the Planning & Transportation Committee.

MAIN REPORT

Background

1. The Government has brought forward proposals to reform the operation of local authority planning committees in England as part of its wider programme of planning reform intended to increase efficiency, consistency, and certainty in decision-making. These reforms are enabled by powers contained in the Planning and Infrastructure Act 2025, which was announced in the King's Speech as part of the Government's agenda to modernise the planning system and support housing and infrastructure delivery.

2. Planning committees are recognised by the Government as playing a critical role in maintaining local democratic oversight and public confidence in the planning system. However, the Government has stated that there is significant variation in current committee practices across England, which it considers can lead to delay, inconsistency, and inefficiency in planning outcomes.

3. The new powers in the Planning and Infrastructure Act 2025 focus on three core areas, listed below and set out in further detail in Appendix 1:

   A. the size and composition of planning committees;

   B. training requirements for committee members; and

   C. the delegation of planning functions in respect of legislative changes.

4. In the City of London context, it is also important that the governance arrangements support confidence in the planning system amongst investors, occupiers and developers. A planning framework that is transparent, consistent and capable of timely decision-making is an important factor in maintaining the

City's attractiveness as a location for investment, business growth and development.

5. In June 2026, proposals relating to the necessary changes to both the composition of the current Planning Applications Sub-Committee (PASC) and the Officer Scheme of Delegations, were brought forward to your Planning & Transportation Committee for consideration. Proposals centred around a single sub-committee elected from and by the membership of the Grand.

6. Subject to feedback at this June meeting, Officers were asked to undertake further work and engagement before bringing back more detailed options in September 2026.

7. It is worth noting that, due to how the current PASC was established (see background in Appendix 2), unlike other sub-committees, any changes to its composition currently require the approval of this Honourable Court.

Current Position

The Delegation of Planning Functions – Officer Scheme of Delegations

8. The Officer Scheme of Delegation requires amendment to reflect the changed legislative arrangements in respect of Schedule 1 and Schedule 2 applications (requiring all Schedule 1 applications to be delegated and requiring all Schedule 2 applications to be delegated other than those where the nominated member and nominated officer agree they should be referred to the Planning Applications Sub-committee). All other matters are retained as existing with some minor amendments suggested to the delegations to provide for clarity and completeness, and to remove redundant wording which is no longer required (such as where legislation is no longer in force). The amendments are shown in Appendix 5 by way of track changes to the current version.

Size and Composition of Planning Applicant Sub Committees

9. Your Committees considered three different approaches, each of which could be designed to accord with the new Regulations:

   Option 1: One ‘Pool’ of all Members on Planning & Transportation Committee (i.e., 30+ Members) from which a sub-committee of no more than 13 persons will be established on either a first-come, first-served basis – akin to the current process adopted for Licensing Hearings - or via random ballot.

   Option 2: Multiple Panels (two or three), each acting like their own sub-committee, scheduled on an alternating basis.

   Option 3: One single, dedicated Sub-Committee, appointed by the Planning and Transportation Committee via existing mechanisms within the Standing Orders of this Honourable Court.

10. Key assumptions for all three options included that the Chair and Deputy Chair of the Planning & Transportation Committee would retain the role of Chair/Deputy Chair for the Sub-Committee, a quorum of 7 Members and Members continuing to be able to consider applications for developments in their Wards, subject to the existing obligations set out in the Member Code of Conduct. Beyond these core

principles, or ‘key assumptions’, three options were presented to your Planning & Transportation Committee at its meeting on 8 September 2026.

11. The first option was to manage consideration of planning applications through a ‘pool’ of all Members on P&T (i.e. 30+ Members) from which a sub-committee of no more than 13 persons would be established on either a first-come, first-served, basis – akin to the current process adopted for Licensing Hearings, or via random ballot, for each different meeting.

12. Another option was to form a single, dedicated Sub-Committee, appointed via existing mechanisms within the Standing Orders of the Court of Common Council.

13. The final option was to operate through three separate Panels to consider planning applications, scheduled on an alternating basis. i.e. PASC ‘A’, PASC ‘B’, and PASC ‘C’. The Panel option would continue the practice that all Members of Planning & Transportation will be assigned PASC duties by virtue of their membership of Planning & Transportation.

14. Membership on each Panel is determined by length of service on Planning & Transportation (thus spreading skills and experience evenly across the Panels), with the Chair and Deputy Chair of the Committee chairing all three Panels.

15. This would result in three Panels of no more than 13 Members each but, based on current membership, would result in one Panel of 13 and two of 12. Smaller membership of the Grand Committee (which has fluctuated from 25-35 in recent years due to various pairing arrangements) would clearly make for three smaller Panels under this approach. The make-up of each Panel based on the above, and reflective of current membership was provided to your committees for demonstrative purposes.

16. **Recommended Proposal**: Your Planning & Transportation Committee, having considered the three options, supported the Panel system and delegated authority to the Town Clerk, in consultation with the Chair and Deputy Chair of Planning and Transportation Committee, to finalise a Protocol setting out the arrangements for the Panels for submission to and further consideration by the Policy & Resources Committee, and thereafter the Court of Common Council.

17. A draft Protocol for Planning Applications Sub-Committee Arrangements (the ‘draft Protocol’) can be found at Appendix 6. The key principles are described below:

<u>Annual Constitution and Allocation</u>

18. As per current arrangements, the Planning & Transportation Committee shall constitute the Planning Applications Sub-Committee at the first meeting of each civic year. Members shall be allocated to each Panel by the Town Clerk using a experience-based method, having regard to their aggregate length of service on the Planning & Transportation Committee. This shall remain fixed until the next annual review. Other than the Chair and Deputy Chair, no Member may sit on more than one Panel.

19. Your Committees believed that this method also facilitated a fair, cross-section, representation of Members, which included residential Members.

<u>New Members of the Grand Committee</u>

20. Any new Member newly appointed to the Planning & Transportation Committee shall not be appointed to a vacancy until two calendar months of continuous service have passed. Appointment remains subject to completion of mandatory training, compliance with maximum Panel size, and formal approval (summarised below). It shall only be waived where only an appointment is essential to secure a lawfully constituted and quorate Panel. Waivers are to be approved by the Planning & Transportation Committee, or when urgency makes this impracticable, under Standing Order No. 40(b).

Vacancies and Changes in Membership

21. When a vacancy does arise, it shall not trigger a complete reallocation. Eligible replacement shall ordinarily be appointed directly to the Panel on which the vacancy arose.

Substitutions

22. It was considered paramount that Members sitting on a body considering planning applications consider these applications as a representative of the authority, not as a representative of their Ward.

23. Your Committee therefore considered how to avoid situations in which Ward Deputies, through their ability to determine representation on the Planning & Transportation Committee as a Ward Committee, can also change the membership of the Committee considering planning applications.

24. The new Protocol therefore sets out that substitutions or membership changes to Planning & Transportation Committee should be made only where a permanent or long-term change is anticipated, rather than as a mechanism for influencing membership of PASC. This would provide greater stability, transparency and consistency in planning decision-making arrangements, whilst preserving the legitimate role of Ward Deputies in maintaining Ward representation on Planning & Transportation Committee itself. There will be no routine system of meeting-by-meeting substitutions.

25. The new procedure on how these panels will function has been drafted and is presented at Appendix 6. It features guidance on how administration (such as how scheduled meetings will be allocated; how extraordinary meetings will be managed; what will happen in the event in a change of membership of P&T etc.)

Transparency, Monitoring, and Review

26. Information, including annual Panel allocations, vacancies and appointments, additional and extraordinary meetings, adjustments to the rolling rota and the number of meeting and substantive applications considered by each Panel shall be a matter of public record. The operation of the Protocol will be reviewed at the first meeting of each civic year.

27. Your Planning & Transportation Committee and Policy & Resources Committee believe that the three-Panel system supports the Government's objective of greater clarity and consistency in planning decision-making, while preserving the statutory maximum of 13 members for a planning committee or sub-committee and thus recommend approving its adoption. This shall also ensure that the City Corporation shall be compliant ahead of the Autumn 2026 roll out of new legislation.

28. Should the Honourable Court adopt the three-Panel system, it is also recommended that this draft Protocol be adopted and be made publicly available as an appendix to the pre-existing overarching Planning Protocol, with the Planning & Transportation Committee authorised to make any changes. This will allow any amendments to the Protocol that may naturally arise over time to be adopted faster.

29. This Honourable Court will be aware that Grand Committees review their own Terms of Reference and those of their Subs on an annual basis. Anticipating that these new changes will come into effect in late October 2026, the annual review in early 2027 would therefore present a natural review point of any new constitution after approximately four months of operation.

Procedure and Guidance for Schedule 2 Applications

30. The Regulations introduce a national scheme of delegation and establish new arrangements for the referral and determination of planning applications. In summary the Regulations divide certain applications made under the Town and Country Planning Act 1990 into Schedule 1 and Schedule 2 applications. Schedule 1 applications, which are largely more minor planning or procedural applications, must now be determined by officers under delegated authority (with some minor exceptions, including when the City Corporation is making an application to itself for planning permission). Schedule 2 applications (which include more significant full planning applications and listed building consent applications) may only be taken to committee for determination if following a "gateway" process undertaken by the local planning authority's nominated officer and nominated member, they agree the Schedule 2 application raises an issue of economic, social or environmental significance to the local area, or raises a significant planning matter (having regard to relevant government guidance). Any application not referred to committee must be delegated to an officer.

31. This represents a change from the existing scheme of delegations to officers and members of your Planning & Transportation Committee therefore wished to understand how the new gateway process would provide for their input. In terms of procedure, members will be notified of the receipt of applications in the normal way. Any final triage meeting between the nominated officer and nominated member to take a decision as to whether a particular application meets the criteria in the regulations and should be referred to committee, will not take place until the end of the consultation period. If members have a particular view as to whether the tests for a referral are met in respect of a particular application and as to why an application should exceptionally be referred to committee, it will be open to them to set out their reasons and provide these for consideration, during the consultation period.

32. The nominated officer and nominated member must consider the statutory guidance in reaching a decision whether an application should be referred to the Planning Applications Sub-Committee. At the meeting of your Planning and Transportation Committee on the 8th of September 2026 it was clear members of your Committee wished to further understand the types of matters to which the nominated member and nominated officer would have regard, and accordingly members resolved to adopt the following as guidance for officers:

"The statutory guidance to which the nominated member and nominated officer must have regard in considering whether to make a referral of a Schedule 2 application, provides that "Committees should focus on the key proposals that matter to an area, enabling other, often more minor and technical, decisions to be made by planning officers". The statutory guidance also states that "the overriding presumption is that the functions listed in Schedule 2 will be delegated to officers" and "In determining whether a referral under regulations 5 is made, the presumption should be that decisions are delegated to officers and only exceptionally be referred to committee". An application can only be referred to a committee or sub-committee where one of the referral criteria are met (or where it is an own-interest application) and both the nominated officer and nominated member agree to the referral.

In relation to Schedule 2 applications, and the decision whether the application is to be delegated or determined by Committee, the government have stated that the application needs to be assessed on whether it raises "an economic, social or environmental issue of significance to the local area" or "raises a significant planning matter having regard to the development plan and any other material considerations". As per the regulations and guidance "It is for the nominated officer and member to assess whether the development proposal raises any such issue, providing an opportunity for local democratic oversight where necessary. What constitutes 'significant' will vary depending on the local area…".

The application will be assessed with regard to the following (but are not limited to):-

- *Overlooking/loss of privacy*
- *Loss of light or overshadowing*
- *Noise*
- *Transport impacts*
- *Effect on heritage assets*
- *Scale, Layout, density and Design of building*
- *Sustainability*
- *Accessibility*
- *Natural Environment*
- *National Policy*
- *Previous planning decisions (including appeal decisions)*

Having regard to the development plan and any other material considerations."

33. This guidance will be incorporated into the City Corporation's Planning Protocol when it is updated and taken to the Planning & Transportation Committee for approval shortly.

Corporate & Strategic Implications

Strategic Implications - This proposal seeks to align the City Corporation's Planning Application Sub-Committee's governance processes with new national legislation that it is currently anticipated will come into effect in Autumn 2026. The Government

indicate that aligning with this new legislation will have the benefit of improving efficiency and the quality of debate.

Financial Implications - There is no direct cost associated in supporting the recommended option within this report, however, they could result in ongoing operational savings in year and beyond. At present the City Corporation's Livery Hall (rather than Committee Rooms) is routinely used for hosting PASC meetings to accommodate the large number of Members and public observers who attend in-person. The costs charged to the City's Estate budget to facilitate livestreaming and the sharing of presentations, are approximately £5k+ per meeting, which does not include lost opportunity costs for commercial use of the room. A smaller PASC could result in being able to host meetings in Committee Rooms which have the requisite AV in-built. This cost would therefore be saved. Although it is important to note that this would not be possible for occasions where there is a significantly high level of public interest – for this the Livery Hall bookings would be retained. No formal assessment of this has been made by the Chamberlain – this is a comment from the relevant budget holder only.

Resource Implications - These are included in the body of the report.

Legal Implications - The Comptroller & City Solicitor has been consulted on the proposals. Changes to the City Corporation's Planning Applications Sub-Committee are necessary to ensure compliance with the Regulations. In particular, the changes provide for the lawful constitution of a committee or sub-committee to determine certain categories of applications made under the Town and Country Planning Act 1990, including applications for planning permission and listed building consent. Changes to the terms of reference of the Planning & Transportation Committee, the proposed sub-committees and to officer delegations, are necessary to provide clarity and ensure that the City Corporation's delegations accord with the requirements of the Regulations.

Risk Implications - failure to implement any solutions in the efficiency of decision-making risks the under delivery of our strategic objectives. As stated, the aim of the legislation is to improve the speed and consistency in planning decision-making nationally. The City competes internationally for investment, development and business occupation. Confidence that planning decisions will be taken through a system that is efficient, predictable and robust is an important factor in maintaining the City's competitiveness. The adoption of unnecessarily complex or administratively burdensome arrangements could undermine confidence in the planning process, create uncertainty for applicants and investors, and adversely affect the timely delivery of development that supports the Corporation's wider economic and strategic objectives and fundamentally goes against the spirit of the government's new Regulations.

'Do nothing' is not an option at this stage if the City Corporation are to have a planning committee which is lawfully constituted to meet the requirements of the new regulations, in order for it to be able to take decisions on those schedule 2 applications which are referred, given that the new legislation will come into effect on 31st October 2026.

It is worth highlighting that there are various methods that could be deployed if this Honourable Court is not able to reach a consensus, resulting in no legally constituted Sub-Committee to hear applications by the statutory deadline, such as seeking permission to agree interim arrangements whilst a permanent restructure is developed

for 2027/28. In the meantime, decisions on any applications would need to be taken under existing Officer delegations or potentially relying on urgency procedures, rendering these particularly vulnerable to Judicial Review.

Climate implications – No formal comment from the Climate Action Strategy Team has been sought at this time.

Security implications – The Security Teams have not been consulted in the drafting of proposals.

Conclusion

34. The Regulations represent a significant reform to the governance of planning decision making in England. The reforms aim to standardise delegation arrangements nationally, constrain the size of planning committees, and professionalise committee membership through mandatory training.
35. The Regulations will become law on 31 October 2026, requiring local planning authorities to amend their constitutions, schemes of delegation, and committee procedures ahead of this time accordingly. Members of this Honourable Court are thus asked to consider and approve the proposals, ahead of the Autumn 2026 roll out of new legislation.
36. Your Committees believe that the three-Panel system supports the Government's objective of greater clarity and consistency in planning decision-making, while preserving the statutory maximum of 13 members for a planning committee or sub-committee.

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

DATED this 24th day of September 2026.

SIGNED on behalf of the Committee.

Deputy Tom Sleigh
Chairman, Planning & Transportation Committee

Appendices

Appendix 1 – Summary of new legislative requirements
Appendix 2 – Background on current PASC Membership
Appendix 3 - Planning & Transportation Committee Terms of Reference
Appendix 4 - Planning Applications Sub-Committee Terms of Reference
Appendix 5 - Proposed and Consequential Amendments to the Scheme of Delegations to Officers
Appendix 6 - Planning Applications Sub-Committee Protocol Addendum