



# Levelling-up and Regeneration Act 2023

## 2023 CHAPTER 55

### PART 8

#### DEVELOPMENT CORPORATIONS

##### *Local authority proposals and oversight*

#### **171 Locally-led urban development corporations**

(1) Section 134 of the Local Government, Planning and Land Act 1980 (urban development areas) is amended as set out in subsections (2) and (3).

(2) After subsection (1A) insert—

“(1B) The Secretary of State may, by order made by statutory instrument, designate any area of land in England as an urban development area if—

(a) a proposal has been made to the Secretary of State under section 134A(1) in relation to the area of land, and

(b) the Secretary of State is satisfied that it would be expedient in the local interest—

(i) to designate the area of land as an urban development area, and

(ii) to establish a development corporation for the area in consequence of the proposal.”

(3) After section 134 of the Local Government, Planning and Land Act 1980 insert—

#### **“134A Local authority proposal for designation of locally-led urban development area in England**

(1) A local authority in England, or two or more local authorities in England acting jointly, may propose to the Secretary of State that the Secretary of State should designate an area of land (the “proposal area”) as an urban development area under section 134(1B).

- (2) A proposal under subsection (1) (a “locally-led proposal”) must—
- (a) state the proposing authority’s proposals as to—
    - (i) the name of the development corporation that would be established as a result of the proposal, and
    - (ii) which local authority or local authorities should be designated as the oversight authority for that development corporation, and
  - (b) include a map of the proposal area.
- (3) A locally-led proposal may also include proposals about any other matter about which the Secretary of State would be able to make provision in respect of the development corporation by order or regulations under this Part.
- (4) A locally-led proposal may relate to separate parcels of land.
- (5) A local authority may make a locally-led proposal only if—
- (a) the proposal area falls wholly within the area of the local authority, or
  - (b) where it makes the proposal jointly with one or more other local authorities, the proposal area falls—
    - (i) wholly or partly within the area of each of them, and
    - (ii) wholly within their combined areas.
- (6) A proposing authority may make a locally-led proposal only if—
- (a) the proposing authority has consulted the persons mentioned in subsection (7),
  - (b) the proposing authority has had regard to any comments made in response by the consultees, and
  - (c) if those comments include comments by a local authority or the Greater London Authority that the proposing authority does not accept, the proposing authority has published a statement giving the reasons for the non-acceptance.
- (7) The persons referred to in subsection (6)(a) are—
- (a) persons who appear to the proposing authority to represent those living in, or in the vicinity of, the proposal area;
  - (b) persons who appear to the proposing authority to represent businesses with any premises in, or in the vicinity of, the proposal area;
  - (c) each Member of Parliament whose parliamentary constituency includes any part of the proposal area;
  - (d) each local authority for an area which falls wholly or partly within the proposal area (other than the proposing authority or a constituent council of the proposing authority);
  - (e) in relation to an area in Greater London, the Greater London Authority;
  - (f) any other person whom the proposing authority considers it appropriate to consult.
- (8) A local authority may be proposed as an oversight authority under subsection (2)(a)(ii) only if the proposal area is wholly or partly within the area of the local authority.

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- (9) Where the proposing authority proposes, under subsection (2)(a)(ii), that two or more local authorities should be designated as the oversight authority, it may also propose—
- (a) that a specified function of an oversight authority should be exercisable by one of those local authorities, or
  - (b) that a specified function of an oversight authority should be exercisable by two or more of those local authorities jointly.

For this purpose, “specified” means specified in the proposal.

- (10) In this section—
- “local authority” means—
    - (a) a district council,
    - (b) a county council,
    - (c) a London borough council, or
    - (d) the Common Council;
  - “locally-led proposal” has the meaning given by subsection (2);
  - “proposing authority” means—
    - (a) the local authority which makes a locally-led proposal, or
    - (b) if two or more local authorities make such a proposal, those authorities acting jointly;
- and where the proposing authority consists of two or more authorities acting jointly, each is a “constituent council” of the proposing authority.”

- (4) Section 135 (urban development corporations) is amended as set out in subsections (5) and (6).

- (5) In subsection (1A), after “in England” insert “designated under section 134(1)”.

- (6) After subsection (4) insert—

“(4A) Subsections (4B) and (4C) apply where the Secretary of State makes an order under this section establishing a locally-led urban development corporation in consequence of a proposal under section 134A(1).

- (4B) The order must—
- (a) establish the corporation with the proposed name,
  - (b) give effect to any proposal made by virtue of section 134A(3) as to the number of members to be prescribed under paragraph 1A(2) of Schedule 26,
  - (c) designate as the oversight authority the local authority or local authorities proposed as such, and
  - (d) give effect to any proposal made by virtue of section 134A(9) (allocation of functions where oversight authority consists of more than one local authority).

(4C) The Secretary of State must exercise other functions under this Act so as to give effect to any other proposals made by virtue of section 134A(3).”

- (7) After section 135 insert—

**“135A Oversight of locally-led urban development area**

- (1) The Secretary of State may by regulations make provision about how an oversight authority is to oversee the regeneration of a locally-led urban development area.
- (2) Regulations under subsection (1) may, for example—
  - (a) provide that an oversight authority is to exercise specified functions under this Part of this Act, other than a power to make regulations or other instruments of a legislative character, which would otherwise be exercisable by the Secretary of State, the Treasury or any other Minister of the Crown;
  - (b) provide that an oversight authority is to exercise such functions subject to specified conditions or limitations;
  - (c) provide that specified functions under this Part of this Act may be exercised only with the consent of an oversight authority;
  - (d) make provision about the membership of a locally-led urban development corporation;
  - (e) modify provisions of this Part of this Act;
  - (f) make different provision for different purposes;
  - (g) make incidental, supplementary or consequential provision.
- (3) In this section “specified” means specified by regulations under this section.
- (4) Regulations under this section are to be made by statutory instrument.
- (5) A statutory instrument containing regulations under this section may not be made until approved by a resolution of each House of Parliament.”

**172 Development corporations for locally-led new towns**

- (1) The New Towns Act 1981 is amended as follows.
- (2) After section 1 insert—

**“1ZA Local authority proposal for designation of locally-led new town in England**

- (1) A local authority in England, or two or more local authorities in England acting jointly, may propose to the Secretary of State that the Secretary of State should designate an area of land (the “proposal area”) as the site of a proposed new town.
- (2) A proposal under subsection (1) (a “locally-led proposal”) must—
  - (a) state the proposing authority’s proposals as to—
    - (i) the name of the development corporation that would be established as a result of the proposal, and
    - (ii) which local authority or local authorities should be designated as the oversight authority for that development corporation, and
  - (b) include a map of the proposal area.

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- (3) A locally-led proposal may also include proposals about any other matter about which the Secretary of State would be able to make provision in respect of the development corporation by order or regulations under this Act.
- (4) A local authority may make a locally-led proposal only if—
- (a) the proposal area falls wholly within the area of the local authority, or
  - (b) where it makes the proposal jointly with one or more other local authorities, the proposal area falls—
    - (i) wholly or partly within the area of each of them, and
    - (ii) wholly within their combined areas.
- (5) A proposing authority may make a locally-led proposal only if—
- (a) the proposing authority has consulted the persons mentioned in subsection (6),
  - (b) the proposing authority has had regard to any comments made in response by the consultees, and
  - (c) those comments include comments by a local authority or the Greater London Authority that the proposing authority does not accept, the proposing authority has published a statement giving the reasons for the non-acceptance.
- (6) The persons referred to in subsection (5)(a) are—
- (a) persons who appear to the proposing authority to represent those living in, or in the vicinity of, the proposal area;
  - (b) persons who appear to the proposing authority to represent businesses with any premises in, or in the vicinity of, the proposal area;
  - (c) each Member of Parliament whose parliamentary constituency includes any part of the proposal area;
  - (d) each local authority for an area which falls wholly or partly within the proposal area (other than the proposing authority or a constituent council of the proposing authority);
  - (e) in relation to an area in Greater London, the Greater London Authority;
  - (f) any other person whom the proposing authority considers it appropriate to consult.
- (7) A local authority may be proposed as the oversight authority under subsection (2)(a)(ii) only if the proposal area is wholly or partly within the area of the local authority.
- (8) Where the proposing authority proposes, under subsection (2)(a)(ii), that two or more local authorities should be designated as the oversight authority, it may also propose—
- (a) that a specified function should be exercisable by one of those local authorities, or
  - (b) that a specified function should be exercisable by two or more of those local authorities jointly.

For this purpose, “specified” means specified in the proposal.

- (9) In this section—  
“local authority” means—

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- (a) a district council,
  - (b) a county council, or
  - (c) a London borough council;
- “locally-led proposal” has the meaning given by subsection (2);  
“proposing authority” means—
- (a) the local authority which makes a locally-led proposal, or
  - (b) if two or more local authorities make such a proposal, those authorities acting jointly;
- and where the proposing authority consists of two or more authorities acting jointly, each is a “constituent council” of the proposing authority.

### **1ZB Designation of locally-led new town in England**

- (1) This section applies where a proposal has been made to the Secretary of State under section 1ZA(1) in relation to an area of land in England.
  - (2) The Secretary of State may make an order under this section designating the area as the site of a proposed new town if satisfied that it would be expedient in the local interest that the area should be developed as a new town by a corporation established under this Act in consequence of the proposal.
  - (3) Subsections (3) and (5) of section 1 apply to an order under this section as they apply to an order under that section.”
- (3) In section 3 (establishment of development corporations for new towns)—
- (a) in subsection (1), after “1” insert “or 1ZB”;
  - (b) in subsection (2A), after “in England” insert “designated under section 1”;
  - (c) after subsection (2A) insert—
- “(2B) Subsections (2C) and (2D) apply where the Secretary of State makes an order under this section establishing a development corporation for a locally-led new town in consequence of a proposal under section 1ZA(1).
- (2C) The order must—
- (a) establish the corporation with the proposed name,
  - (b) give effect to any proposal made by virtue of section 1ZA(3) as to the number of members to be prescribed under subsection (2ZB),
  - (c) designate as the oversight authority the local authority or local authorities proposed as such, and
  - (d) give effect to any proposal made by virtue of section 1ZA(8) (allocation of functions where oversight authority consists of more than one local authority).
- (2D) The Secretary of State must exercise other functions under this Act so as to give effect to any other proposals made by virtue of section 1ZA(3).”
- (4) In section 77 (regulations and orders), in each of subsections (3), (3B) and (3C), after “1,” insert “1ZB,”.

## 173 Minor and consequential amendments

[Schedule 16](#) makes minor and consequential amendments in connection with sections [171](#) and [172](#).

### *Planning functions*

## 174 Planning functions of urban development corporations

- (1) The Local Government, Planning and Land Act 1980 is amended as follows.
- (2) In section 149 (urban development corporation as planning authority)—
  - (a) after subsection (1) insert—

“(1A) If the Secretary of State so provides by order, an urban development corporation for an area in England shall be the local planning authority for the whole or any portion of its area for such purposes of Part 2 or 3 of the Planning and Compulsory Purchase Act 2004 as may be prescribed.”;
  - (b) in subsection (2), for “The order” substitute “An order under subsection (1) or (1A)”;
  - (c) after subsection (2) insert—

“(2A) If the Secretary of State so provides by order, an urban development corporation, other than a locally-led urban development corporation, for an area in England shall be the minerals and waste planning authority for the whole or any portion of its area for the purposes of Part 2 of the Planning and Compulsory Purchase Act 2004.”;
  - (d) in subsection (3)—
    - (i) in paragraph (a), omit “of the 1990 Act and the Planning (Listed Buildings and Conservation Areas) Act 1990”;
    - (ii) in paragraph (b), omit “of those Acts”;
  - (e) after subsection (3) insert—

“(3A) A provision mentioned in paragraph 1, 3 or 5 of Part 1 of Schedule 29 may be specified under subsection (3)(a) only in relation to an urban development corporation for an area in England.”;
  - (f) after subsection (4) insert—

“(4A) If the Secretary of State so provides by order, an urban development corporation for an area in England shall have, in the whole or any portion of its area, the functions conferred on the relevant planning authority by Schedule 8 to the Electricity Act 1989 so far as it applies to applications for consent under section 37 of that Act.”
- (3) After section 149 insert—

### **“149A Arrangements for discharge of, or assistance with, planning functions in England**

- (1) Subsection (2) applies in relation to any function that an urban development corporation has by virtue of an order under section 149(1).

- (2) The corporation may make arrangements for the discharge of the function by the council (if any) which would have the function but for the order.
  - (3) Where arrangements are in force under sub-paragraph (2) for the discharge of a function by a council—
    - (a) the council may arrange for the discharge of the function by a committee, sub-committee or officer of the council, and
    - (b) section 101(2) of the Local Government Act 1972 (delegation by committees and sub-committees) applies in relation to the function as it applies in relation to functions of the council.
  - (4) Arrangements under subsection (2) for the discharge of a function do not prevent the urban development corporation from exercising the function.
  - (5) Subsection (6) applies in relation to any function that an urban development corporation has by virtue of an order under section 149(1A) or (2A).
  - (6) The corporation may seek assistance in connection with the discharge of the function from the council (if any) which would have the function but for the order; and that council may give such assistance.
  - (7) In this section, “council” means a county council, district council or London borough council or the Common Council.”
- (4) In Part 1 of Schedule 29 (planning enactments conferring functions capable of being assigned to urban development corporations)—
- (a) at the beginning insert—
    - “1 Section 17 of the Land Compensation Act 1961.”;
  - (b) the paragraph referring to enactments in TCPA 1990 becomes paragraph 2;
  - (c) after that paragraph insert—
    - “3 Sections 171BA, 171E, 172ZA, 172A, 191, 192, 225, 225A, 225C, 225F to 225H, 225J and 225K of the 1990 Act.”;
  - (d) the paragraph referring to enactments in the Listed Buildings Act becomes paragraph 4;
  - (e) after that paragraph insert—
    - “5 Section 44AA of the Planning (Listed Buildings and Conservation Areas) Act 1990.”

## **175 Planning functions of new town development corporations**

- (1) The New Towns Act 1981 is amended as follows.
- (2) After section 7 insert—

### **“7A Development corporation as planning authority in England**

- (1) This section applies in relation to a development corporation established for the purposes of a new town in England.
- (2) The Secretary of State may provide by order for the corporation to be the local planning authority for the specified area—



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- (a) for such purposes of Part 3 of the Town and Country Planning Act 1990, and in relation to such kinds of development, as are specified, or
  - (b) for such purposes of Part 2 or 3 of the Planning and Compulsory Purchase Act 2004 as are specified.
- (3) An order under subsection (2) may provide—
  - (a) that any enactment relating to local planning authorities is not to apply to the corporation, or
  - (b) that any such enactment which applies to the corporation is to apply to it subject to such modifications as are specified.
- (4) The Secretary of State may provide by order—
  - (a) for the corporation to have, in the specified area, the functions conferred by such of the enactments mentioned in Part 1 of Schedule 29 to the Local Government, Planning and Land Act 1980 as are specified;
  - (b) for such of the enactments mentioned in Part 2 of that Schedule as are specified in the order to have effect, in relation to the corporation and to land in the specified area, subject to the modifications set out in that Part;
  - (c) for such of the provisions of that Part 2 as apply for the purposes of the order to be read, for those purposes, as if—
    - (i) any reference to an urban development corporation were a reference to a development corporation established under section 3 of this Act, and
    - (ii) any reference to regenerating an area were a reference to developing a new town.
- (5) An order under subsection (4) may provide—
  - (a) that any enactment relating to local planning authorities applies to the corporation for the purposes of any enactment specified in Schedule 29 to the Local Government, Planning and Land Act 1980 which relates to land in the specified area by virtue of the order;
  - (b) that any enactment so applied to the corporation applies to it subject to modifications specified in the order.
- (6) The Secretary of State may, if the corporation is not a locally-led development corporation, provide by order for the corporation to be the minerals and waste planning authority for the specified area for the purposes of Part 2 of the Planning and Compulsory Purchase Act 2004.
- (7) The Secretary of State may provide by order that the corporation is to have, in the specified area, the functions conferred on the relevant planning authority by Schedule 8 to the Electricity Act 1989 so far as it applies to applications for consent under section 37 of that Act.
- (8) The area specified under any of the preceding subsections must be the whole, or part, of the area of the new town.
- (9) An order under this section may include supplementary or transitional provision or savings.
- (10) In this section “specified” means specified in an order under this section.

**7B Arrangements for discharge of, or assistance with, planning functions in England**

- (1) Subsection (2) applies in relation to any function that a development corporation has by virtue of an order under section 7A(2)(a).
  - (2) The corporation may make arrangements for the discharge of the function by the council (if any) which would have the function but for the order.
  - (3) Where arrangements are in force under subsection (2) for the discharge of a function by a council—
    - (a) the council may arrange for the discharge of the function by a committee, sub-committee or officer of the council, and
    - (b) section 101(2) of the Local Government Act 1972 (delegation by committees and sub-committees) applies in relation to the function as it applies in relation to functions of the council.
  - (4) Arrangements under subsection (2) for the discharge of a function do not prevent the development corporation from exercising the function.
  - (5) Subsection (6) applies in relation to any function that a development corporation has by virtue of an order under section 7A(2)(b) or (6).
  - (6) The corporation may seek assistance in connection with the discharge of the function from the council (if any) which would have the function but for the order; and that council may give such assistance.
  - (7) In this section, “council” means a county council, district council or London borough council.”
- (3) In Schedule 3 (constitution and proceedings of development corporations), after paragraph 10 insert—

*“Delegation of planning functions*

- 10A
- (1) This paragraph applies in relation to any function conferred on the corporation by virtue of an order under section 7A (planning functions of corporations in England).
  - (2) The corporation may appoint committees and such committees may appoint sub-committees.
  - (3) Anything which is authorised or required to be done by the corporation—
    - (a) may be done by any member of the corporation or of its staff who is authorised for the purpose either generally or specifically;
    - (b) may be done by a committee or sub-committee which is so authorised.
  - (4) The corporation may—
    - (a) determine the quorum of a committee or sub-committee;
    - (b) make such arrangements as it thinks appropriate relating to the meetings and procedure of a committee or sub-committee.

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- (5) Anything done for the purposes of sub-paragraph (4) is subject to directions given by the Secretary of State.
  - (6) The validity of anything done by a committee or sub-committee is not affected by—
    - (a) any vacancy among its members;
    - (b) any defect in the appointment of any of its members.
- 10B (1) This paragraph has effect in relation to the membership of committees and sub-committees appointed under paragraph 10A.
- (2) A committee may consist of—
    - (a) such members of the corporation as it appoints;
    - (b) such other persons as the corporation (with the consent of the Secretary of State) appoints.
  - (3) A sub-committee of a committee may consist of—
    - (a) such members of the committee as it appoints;
    - (b) such persons who are members of another committee of the corporation (whether or not they are members of the corporation) as the committee appoints;
    - (c) such other persons as the corporation (with the consent of the Secretary of State) appoints.
  - (4) The membership of a committee or sub-committee—
    - (a) must always include at least one person who is a member of the corporation;
    - (b) must not include any person who is a member of the staff of the corporation.”

## **176 Mayoral development corporation as minerals and waste planning authority**

- (1) The Localism Act 2011 is amended as follows.
- (2) In section 202 (functions in relation to Town and Country Planning), after subsection (3) insert—
  - “(3A) The Mayor may decide that the MDC is to be the minerals and waste planning authority, for the whole or any portion of the area, for the purposes of Part 2 of the Planning and Compulsory Purchase Act 2004.”
- (3) In section 203 (arrangements for discharge of, or assistance with, planning functions), in subsection (4), after “2004” insert “, or the minerals and waste planning authority for the purposes of Part 2 of that Act,”.
- (4) In section 204 (removal or restriction of planning functions), in subsection (2), after “(3)” insert “, (3A)”.

## **177 Minor and consequential amendments**

[Schedule 17](#) makes amendments consequential on sections [174](#) and [175](#), and other minor amendments in connection with the planning functions of development corporations.

*Membership***178 Removal of restrictions on membership of urban development corporations and new town development corporations**

(1) In Schedule 26 to the Local Government, Planning and Land Act 1980 (constitution and proceedings etc of urban development corporations)—

- (a) in paragraph 1, for the words from “such number” to the end substitute “the number of other members determined in accordance with paragraph 1A”;
- (b) after that paragraph insert—

“1A (1) In the case of a corporation established by the Scottish Ministers or the Welsh Ministers—

- (a) the number of other members must be prescribed by order under section 135, and
- (b) the prescribed number must be—
  - (i) not less than 5, and
  - (ii) not more than 11.

(2) In the case of a locally-led urban development corporation—

- (a) the number of other members must be prescribed by order under section 135, and
- (b) the prescribed number must be not less than 5.

(3) In any other case, the number of other members must be not less than 5.”

(2) In section 3 of the New Towns Act 1981 (establishment of development corporations)

—

- (a) in subsection (2), for paragraph (c) substitute—
  - “(c) at least one other member.”;
- (b) after subsection (2) insert—

“(2ZA) In the case of a development corporation established by an order under this section made by the Welsh Ministers—

- (a) the number of members other than the chairman and deputy chairman must be prescribed by the order, and
- (b) the prescribed number is not to exceed 11.

(2ZB) In the case of a locally-led development corporation, the number of members other than the chairman and deputy chairman must be prescribed by the order.”

(3) Nothing in this section affects any provision of an order made before this section comes into force.

## Finance

### **179 Removal of limits on borrowing of urban development corporations and new town development corporations**

(1) In paragraph 8 of Schedule 31 to the Local Government, Planning and Land Act 1980 (aggregate limit on borrowing of urban development corporations)—

- (a) in sub-paragraph (1), after “sub-paragraph (2) below” insert “(save as excepted by sub-paragraph (2A))”;
- (b) after sub-paragraph (2) insert—

“(2A) But no sum which is—

- (a) borrowed by, or issued in fulfilment of a guarantee of a debt of, a corporation for an urban development area in England, and
- (b) borrowed or issued on or after the date on which section 179 of the Levelling-up and Regeneration Act 2023 comes into force,

is to count for the purposes of sub-paragraph (2)(a) or (b).”

(2) In section 60 of the New Towns Act 1981 (aggregate limit on borrowing of new town development corporations)—

- (a) in subsection (1), after “sums” insert “(save as excepted by subsection (1A))”;
- (b) after subsection (1) insert—

“(1A) No sum which—

- (a) is advanced to, or borrowed by, a development corporation established for the purposes of a new town in England, and
- (b) is advanced or borrowed on or after the date on which section 179 of the Levelling-up and Regeneration Act 2023 comes into force,

is to count for the purposes of subsection (1)(a) or (d).”