



# 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.

- (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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*Status: This is the original version (as it was originally enacted).*

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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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*Status: This is the original version (as it was originally enacted).*

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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](#).