

## Committee Report

Summary	
<b>Application ID:</b> LA04/2024/1385/F	<b>Committee Date:</b> 15 <sup>th</sup> April 2025
<b>Proposal:</b> Amendment to planning permission Z/2013/0931/F to permit occupation for Class B1(a) office and/or Class B1(c) research and development.	<b>Location:</b> Olympic House, Titanic Quarter, 5 Queens Road, Belfast, BT3 9DH
<b>Referral Route:</b> Application for Major development	
<b>Recommendation:</b> Approval subject to conditions and Section 76 planning agreement	
<b>Applicant Name and Address:</b> OH (Office) Developments Limited Unit 4, The Legacy Building Queens Road Belfast BT3 9DT	<b>Agent Name and Address:</b> Turley Hamilton House 3 Joy Street Belfast BT2 8LE
<b>Date Valid:</b> 9 <sup>th</sup> August 2024	
<b>Target Date:</b> 7 <sup>th</sup> March 2025	
<b>Contact Officer:</b> Lisa Walshe, Principal Planning Officer, Development Management.	
<b>Executive Summary:</b>  <b>Background</b>  Planning permission Z/2013/0931/F was granted on 16 July 2014 for a 'high specification office building (of 6 and 7 storeys) comprising 2,970 sqm of Class B1(a) office use and 14,642 sqm of Class B1(c) research and development, basement car parking, landscaping, access and associated site works on lands east of east of Queens Road, north of PRONI and south of Belfast Metropolitan College. The construction of Olympic House was completed in 2022 and the building is classified as Grade A BREEAM Excellent.  The applicant states that the building has been marketed for over 5 years by CBRE, however, to date the building remains entirely vacant. According to the applicant, feedback from prospective corporate occupiers is that the Use Class restrictions within the planning permission (Z/2013/0913/F) are problematic and do not provide corporate occupiers with the flexibility that they require over the course of their proposed occupation. While the extant permission allows unrestricted Class B1(a) occupation of 2,970sqm of floorspace (22% of the net lettable area), the applicant states that the restricted Class B1(c) floorspace has to date been the key barrier to securing tenants. The applicant also notes that there is decreased demand for Class B1(c) floorspace since the Coronavirus pandemic in particular.	

## Proposal

The proposal seeks to amend permission Z/2013/0913/F for more flexibility whereby the building can be occupied as either Class B1(a) or B1(c), or a combination of both. The applicant is willing to enter into a Section 76 planning agreement committing to provide construction employability and skills in respect of the specific occupier fit-out of the building as well as specific restrictions on the occupancy of the building to minimise the potential for impacts on the City Centre. These include, amongst others, a maximum of six occupants; occupancy of minimum floor plates; and that any lettings for Class B1(a) or B1(c) involving Foreign Direct Investment (FDI) shall be given preference. The detailed clauses to be contained in the planning agreement are set out in the main report.

The **key issues for consideration** of the application are set out below.

- Principle of the proposed uses
- Environmental impacts
- Health impacts
- Climate Change
- Traffic and access
- Section 76 Planning Agreement
- Pre-Application Community Consultation

DFI Roads advises no objections. The Planning Service's Plans and Policy unit advises that the proposal is contrary to Policies EC3 and EC6 of the Plan Strategy.

Two objections and one letter of support have been received; these are summarised and considered in detail in the main report.

The applicant has stated a range of material considerations in support of the proposal, including:

- The change in market circumstances since the planning permission was submitted in 2013 and then completed in 2022.
- The failure to secure any tenancies following significant marketing of the building.
- The proximity of the site to the City Centre.
- The potential risk to investment and economic health of the city of what CBRE terms to be a short pipeline of office space.
- The high cost of retrofitting the building to a different use (e.g. residential).
- As an established mixed-use district, Titanic Quarter performs a complementary role to Belfast City Centre as recognised in the Belfast City Centre Regeneration and Investment Strategy (BCCRIS)
- The current limited availability of unrestricted Class B1(a) BREEAM Excellent Grade A office space ready for occupation in Belfast, which has been assessed by CBRE at less than a 1 year's supply.

The Planning Service also commissioned a third-party independent assessment of the applicant's case (undertaken by Naylor Devlin who have utilised Lisney, a commercial letting agent). The independent report supports many of the assertions made by the applicant and their commercial letting agent, CBRE.

Whilst officers acknowledge that the proposal does not accord with Policies EC3, EC6, RET1 and RET2, having assessed all the evidence, it is considered that material considerations exist that outweigh these policy conflicts. These include the short supply of the highest standard of office accommodation (BREEAM Excellent accredited and ESG floor space), which decreases the economic competitiveness of the city and its ability to attract new investment, including significant inward investment. This is particularly a concern given the recent "flight to quality" trend.

Moreover, given this lack of supply, companies that would be potentially interested in locating to Belfast may have to look to alternatives outside the city on the basis of insufficient ESG standard office accommodation. Therefore, there is less likelihood that the proposal, if approved, would divert new office occupiers to the city away from the City Centre. The potential for existing offices businesses in the City Centre locating to the site would also be lessened due to the proposed restrictions to the Class B1(a) floor space, including a maximum limit of six occupiers of the Class B1(a) floor space. Preference will also be given to occupation associated with inward investment, responding to one of the aims of Policy EC3 of the Plan Strategy. Regard is also had to the out of centre location of the site, approximately 175 metres from the boundary of the City Centre.

Having regard to these factors and the considerations set out in the main report, it is considered that the material considerations outweigh the policy conflict, that there will not be significant adverse impact on the city centre and that the proposal is acceptable. This is predicated on securing the restrictions by means of a planning agreement, as detailed in the main report.

### **Recommendation**

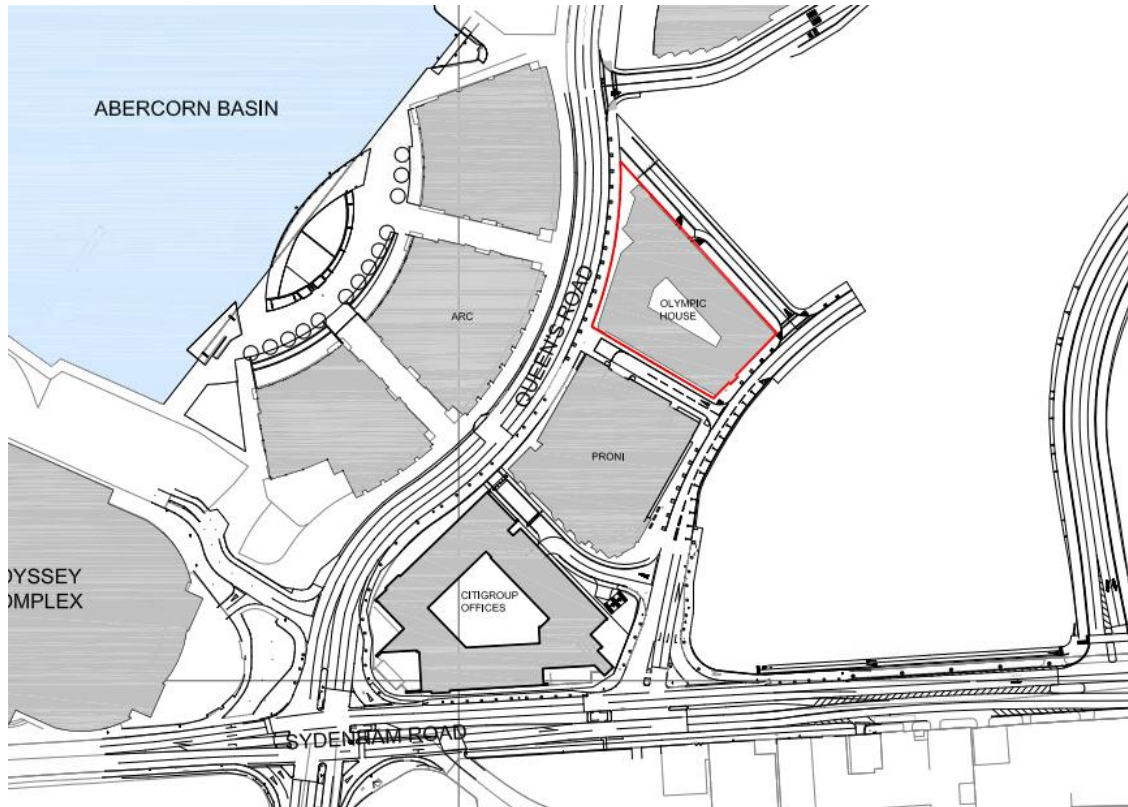
Having regard to the Development Plan and material considerations, it is recommended that planning permission is granted subject to conditions and a Section 76 planning agreement.

Delegated authority is sought for the Director of Planning and Building Control to finalise the wording of the conditions and Section 76 planning agreement, and to deal with any other matters that may arise provided they are not substantive. Should the planning agreement not be completed by 31<sup>st</sup> May 2025, and where necessary, the application will be reported back to the Committee for reconsideration.

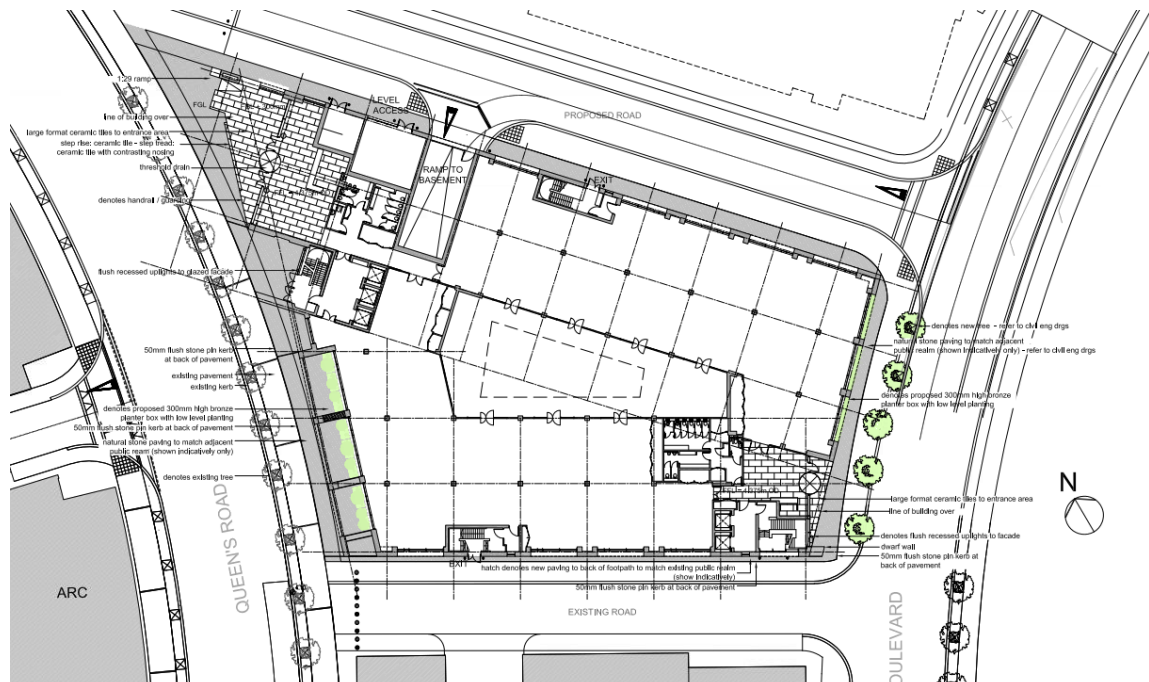
## Officer Report

### DRAWINGS AND IMAGERY

#### Site Location Plan:



#### Site layout plan:



<p><b>1.0</b></p> <p>1.1</p> <p>1.2</p> <p>1.3</p> <p>1.4</p>	<p><b>Description of the Site and Proposal</b></p> <p><i>Characteristics of the Site and Area:</i></p> <p>Olympic House is located within Titanic Quarter, situated between the Public Records Office for Northern Ireland (PRONI) and the Belfast Metropolitan College (Belfast Met) fronting onto Queens Road. The ARC apartments are located across the road from the site to the west. The lands to the east and south-east (rear) are undeveloped.</p> <p>Olympic House was granted planning permission (Z/2013/0931/F) in July 2014 for a 'high specification office building (of 6 and 7 storeys) comprising 2,970 sq m of class B1(a) office use and 14,642 sq m of B1 (C) research and development, basement car parking, landscaping, access and associated site works. The construction of Olympic House was completed in 2022 and has not been occupied since, remaining vacant.</p> <p>Further to the north, there is ongoing construction of the "Loft Lines" development (LA04/2021/2280/F) which consists of 778 residential units with non-residential uses such as retail, shops and a creche at ground floor. In addition, the Hamilton Dock Hotel (LA04/2023/3442/F) is also proceeding at pace.</p> <p><i>Description of the proposal:</i></p> <p>The proposal seeks to amend permission Z/2013/0913/F for more flexibility whereby the building can be occupied as either Class B1(a) or B1(c), or a combination of both. The applicant is willing to enter into a Section 76 planning agreement, committing to secure specific restrictions on the occupancy of the building to minimise the potential for impacts on the City Centre. These include, amongst others, a maximum of six occupants; occupancy of minimum floor plates; and that any lettings for Class B1(a) or B1(c) involving Foreign Direct Investment (FDI) shall be given preference. The detailed clauses to be contained in the planning agreement are set out in the assessment section of this report.</p>
<p><b>2.0</b></p> <p>2.1</p> <p>2.2</p>	<p><b>RELEVANT PLANNING HISTORY</b></p> <p><b>LA04/2022/1003/F</b> - Land East of Queen's Road, North of Public Records Office of NI and South of Belfast Metropolitan College, Belfast.</p> <p>Proposal: Retention of basement associated with office development. Permission Granted: 18<sup>th</sup> August 2022.</p> <p><b>Z/2013/0931/F</b> - Land East of Queen's Road, North of Public Records Office of Northern Ireland and South of Belfast Metropolitan College Queen's Island, Belfast.</p> <p>Proposal: High specification office building (of 6 and 7 storeys) comprising 2,970 sq m of class B1(a) office use and 14,642 sq m of B1 (C) research and development, basement car parking, landscaping, access and associated site works. Permission Granted: 16<sup>th</sup> July 2014.</p>

2.3	<p><b>LA04/2024/0681/F</b> - Lands to the northeast of Olympic House, east of Queen's Road and south of Belfast Metropolitan College, Belfast.</p> <p>Proposal: Erection of Purpose-Built Managed Student Accommodation development with additional use of accommodation by further or higher education institutions outside term time, comprising 4 no. blocks of accommodation with building heights ranging from 5 to 9 storeys and up to 35,850sqm gross external floorspace, café, associated communal facilities including landscaped courtyards, internal bin stores and cycle stores, pv array, disabled parking, public realm provision, associated site works and extension of Titanic Boulevard to form new junction with Hamilton Road.</p> <p>Permission Granted: 4<sup>th</sup> December 2024</p>
<p><b>3.0</b></p> <p>3.1</p> <p>3.2</p>	<p><b>PLANNING POLICY</b></p> <p><b>Development Plan – Plan Strategy</b></p> <p><u>Belfast Local Development Plan, Plan Strategy 2035</u></p> <p><i>Strategic Policies:</i></p> <p>Policy SP1 – Growth strategy  Policy SP1a – Managing growth and supporting infrastructure  Policy SP2 – Sustainable development  Policy SP3 – Improving health and wellbeing  Policy SP5 – Positive placemaking  Policy SP6 – Environmental resilience  Policy SP7 – Connectivity  Policy SP8 – Green and blue infrastructure network</p> <p><i>Operational Policies:</i></p> <p>Policy EC1 – Delivering inclusive economic growth  Policy EC3 – Major employment and strategic employment locations  Policy EC6 – Office development  Policy RET1 – Establishing a centre hierarchy  Policy RET2 – Out of centre development</p> <p>Policy TRAN 1 – Active Travel – Walking &amp; Cycling  Policy TRAN 4 – Travel Plan  Policy TRAN 8 – Car Parking and Servicing arrangements</p> <p>Policy ENV1 – Environmental quality  Policy ENV2 – Mitigating environmental change  Policy ENV3 – Adapting to environmental change  Policy ENV4 – Flood Risk  Policy ENV5 – Sustainable drainage systems (SuDS)</p> <p>Policy HC1 – Promoting Healthy Communities</p> <p><b>Supplementary Planning Guidance</b>  Retail and Main Town Centre Uses SPG</p>

3.3	<b>Development Plan – zoning, designations and proposals maps</b> Belfast Urban Area Plan (2001) BUAP Draft Belfast Metropolitan Area Plan 2015 (v2004) Draft Belfast Metropolitan Area Plan 2015 (v2014)
3.4	<b>Regional Planning Policy</b> Regional Development Strategy 2035 (RDS) Strategic Planning Policy Statement for Northern Ireland (SPPS)
3.5	<b>Other Material Considerations</b> Developer Contribution Framework (2020) Belfast Agenda (Community Plan)
4.0	<b>CONSULTATIONS AND REPRESENTATIONS</b>
4.1	<u>Statutory Consultees</u>  <b>DfI Roads</b> – no objection.
4.2	<u>Non-Statutory Consultees</u>  <b>Belfast City Council – Planning Service Plans and Policy unit</b> – advises that the proposal is contrary to Policies EC3 and EC6 of the Plan Strategy.  <u>Representations</u>
4.3	The application has been advertised in the newspaper and neighbours notified.
4.4	Four objections have been received. Two objections have been received from planning consultants on behalf of their clients. A further two objections were received from members of the public. The issues raised are summarised below. <ul style="list-style-type: none"> <li>• The site is located outside the City Centre; offices in this location would be contrary to regional and local planning policies.</li> <li>• There is a significant level of available office space within the City Centre</li> <li>• Approval of the proposal would have a '<i>catastrophic impact on future regeneration projects in the City Centre</i>'.</li> <li>• Environmental and sustainability credentials are not listed within policy documents as considerations that could override the presumption of offices outside the city centre.</li> <li>• Approval of the proposal would create a damaging precedent for offices outside the City Centre.</li> <li>• Approval of the proposal would more than treble the office space permitted by the Titanic Quarter Framework for Phase II.</li> <li>• No evidence that significant inward investment would be lost if the proposal was not approved.</li> <li>• Querying why the B1(a) portion of the office space has not been implemented</li> <li>• The proposal is contrary to Policies EC3 and EC6.</li> </ul>
4.5	The issues raised are considered in the main assessment section of this report.

4.6	<p>Other issues raised in the objections include:</p> <ul style="list-style-type: none"> <li>• Incorrect neighbour notification letter – officers advise that correct neighbour notification letters were re-issued.</li> <li>• Any research and development use should exclude chemicals and heavy machinery – officers advise that the building already benefits from planning permission for research and development uses, the definition for which is those uses that can occur without detriment to amenity by reason of noise, vibration, smell, fumes, smoke, soot, ash, dust or grit.</li> <li>• Personal security on the Glider services should be addressed by the travel plan – officers advise that this is not a land-use planning matter relevant to consideration of the travel plan.</li> </ul>
4.7	<p>A letter of support was received from the Belfast Chamber, stating that:</p> <ul style="list-style-type: none"> <li>• There is a marked scarcity of Environmental, Social and Governance (ESG) compliant office space in Belfast. Currently, Belfast has only 251,000 sq ft of available, high-quality, ESG-compliant office space, which represents less than a year's supply according to CBRE assessments.</li> <li>• The current approval's restriction is unique to Olympic House and not found in other cities across the UK or further afield whom Belfast is competing with to attract and retain corporate investment.</li> <li>• The current planning permission (Z/2013/0913/F), which restricts usage to Class B1(c) research and development, has been a deterrent for potential corporate occupiers. Belfast Chamber maintains that proper application of Policy EC3 of the Plan Strategy is essential to support the investments made in Olympic House by Belfast Harbour and Titanic Quarter. This will help Belfast to retain and grow employment in the near term.</li> <li>• No other speculative office developments have commenced within the city, as a result of rising constructions costs, and none are likely to start in 2024. Consequently, Belfast is at least three years away from having any further significant high-quality and ESG compliant office space, ready for occupation.</li> <li>• Approving this change will significantly enhance Belfast's attractiveness to potential occupiers, aligning with the Belfast Agenda goal of 'Growing the Economy' by offering best-in-class office space.</li> <li>• As a well-established mixed-use district, Titanic Quarter complements Belfast City Centre. This is recognized in the Belfast City Centre Regeneration and Investment Strategy (BCCRIS), with prior approvals for Class B1(a) office space in the area under the draft Belfast Metropolitan Area Plan 2015 (dBMAP).</li> </ul>
4.8	<p>Following additional information, the application was re-advertised and neighbours reconsulted in March 2025. To date, no further representations have been received.</p>
5.0	<p><b>PLANNING ASSESSMENT</b></p> <p><b>Development Plan Context</b></p>
5.1	<p>Section 6(4) of the Planning (Northern Ireland) Act 2011 states that in making any determinations under the Act, regard is to be had to the local development plan, and the determination must be made in accordance with the plan unless material considerations indicate otherwise.</p>
5.2	<p>Section 45(1) of the Act states that in determining planning applications, the Council must have regard to the local development plan, so far as material to the application, and to any other material considerations.</p>

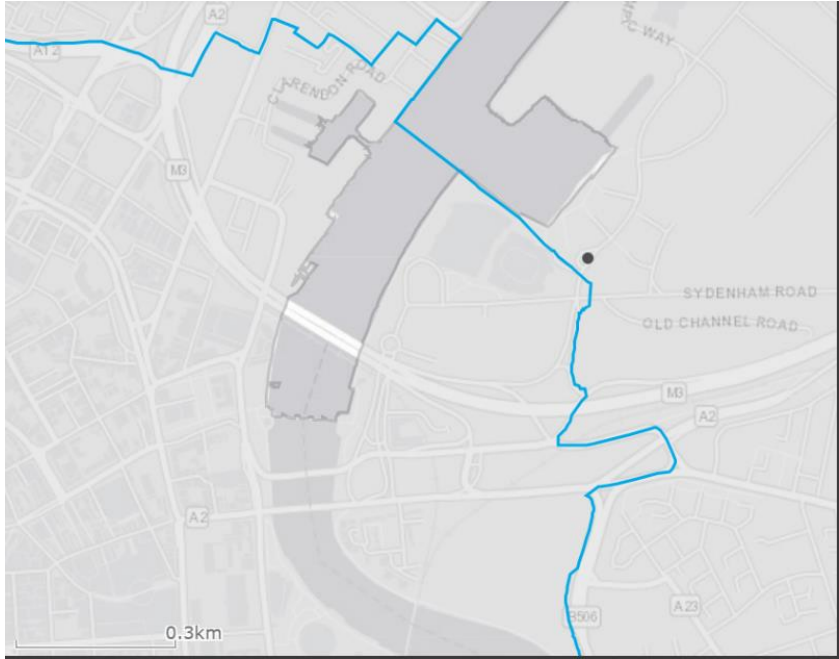


5.3	<p>The Belfast Local Development Plan (LDP) when fully completed will replace the Belfast Urban Area Plan 2001 as the statutory Development Plan for the city. The Belfast LDP will comprise two parts. Part 1 is the Plan Strategy, which contains strategic and operational policies and was adopted on 02 May 2023. Part 2 is the Local Policies Plan, which will provide the zonings and proposals maps for Belfast and has not yet been published. The zonings and proposals maps in the Belfast Urban Area Plan 2001 (“Departmental Development Plan”) remain part of the statutory local development plan until the Local Policies Plan is adopted.</p>
5.4	<p><u>Operational Policies</u></p> <p>The Plan Strategy contains a range of operational policies relevant to consideration of the application. These are listed at paragraph 3.1.</p>
5.5	<p><u>Proposals Maps</u></p> <p>Until such time as the Local Policies Plan is adopted, the Council must have regard to the land-use zonings, designations and proposals maps in the Belfast Urban Area Plan 2001, both versions of the draft Belfast Metropolitan Area Plan (v2004 and v2014) (draft BMAP 2015) and other relevant area plans. The weight to be afforded to these proposals maps is a matter for the decision maker. It is considered that significant weight should be given to the proposals map in draft BMAP 2015 (v2014) given its advanced stage in the development process, save for retail policies that relate to Sprucefield which remain contentious.</p>
5.6	<p>In the Belfast Urban Area Plan 2001 (BUAP), the site is located with the Inner City Priority Area for environmental improvement.</p>
5.7	<p>In the draft Belfast Metropolitan Area Plan 2015 (dBMAP 2015), the site is located within Titanic Quarter (TQ) and within Belfast Harbour Major Employment Location. The adopted Plan Strategy recognises the contribution of TQ, including its role as part of the Belfast Harbour Major Employment Location (MEL), and retains the dBMAP approach. Policy EC6 of the Plan Strategy only permits Class B1(a) general office development where it cannot be accommodated in the city centre and it would otherwise result in the loss of significant inward investment.</p>
5.8	<p>Zoning BHA01 of dBMAP 2015 (v2004) allocates 5,000 sqm of general office floor space to TQ, later increased to 15,000 sqm in dBMAP 2015 (v2014) following the independent inquiry, consistent with the area’s Regional Development Strategy (RDS) designation as a MEL. Similar to Policy EC6, the Key Site Requirements (KSR) of the zoning also provide for the scenario where a business use exceeding 5,000 sqm can be permitted at TQ where it can be demonstrated that the proposal cannot be accommodated within the City Centre. It is considered that the quantum of general office floorspace in TQ has been exhausted via other approvals, with the 2,970 sqm permitted under the original approval for Olympic House being the last of that quantum.</p>

	<p><b>Main Issues</b></p>
5.9	<p>The main issues relevant to consideration of the application are set out below.</p> <ul style="list-style-type: none"> <li>• Principle of the proposed uses</li> <li>• Environmental impacts</li> <li>• Health impacts</li> <li>• Climate Change</li> <li>• Traffic and access</li> <li>• Section 76 Planning Agreement</li> <li>• Pre-Application Community Consultation</li> </ul> <p><b>Principle of the proposed uses</b></p> <p><i>Policy context:</i></p>
5.10	<p>The relevant policies for assessing the proposal are Policies EC3 (Major employment and strategic employment locations) and EC6 (Office development) of the Plan Strategy. Both policies state that Class B1(a) shall only be permitted in a major or strategic employment location where it cannot be accommodated in a city centre location and it would otherwise result in the loss of significant inward investment.</p>
5.11	<p>Policies RET1 (Establishing a centre hierarchy) and RET2 (Out of centre development) are also relevant. RET2 refers to proposals for main town centre uses outside of existing centres including retail, leisure, entertainment, business, cultural and community uses. Para 8.1.39 of the policy amplification of Policy EC6 clarifies that proposals for office development outside designated centres or other specified areas will be required to comply with the sequential and impact tests set out in Policy RET2.</p>
5.12	<p>The city centre first approach is reinforced by regional policy set out in the Regional Development Strategy 2035 (Policy SFG 3) and SPPS (paragraph 6.284 to 6.292).</p>
5.13	<p>The Planning Service's Plans and Policy team advises that the proposal is contrary to Policies EC3 and EC6, noting the primacy of the City Centre as a key consideration, and that offices are a city centre use. It has assessed both the applicant's case and figures provided by CBRE and considered the independent assessment commissioned by the Planning Service from Naylor Devlin. The Plans and Policy unit states that the pipeline of available office space is far larger if all extant approvals and all grades of office space are included.</p>
5.14	<p>It further notes that there is no factual evidence relating to the demand for Class B1(c) space in Belfast. It expresses concern that the proposed increase in Class B1(a) at Olympic House could further erode any existing pipeline supply, as developers fail to implement extant permissions within the City Centre.</p> <p><i>The applicant's case:</i></p>
5.15	<p>The applicant states that there are a unique set of circumstances which justify the proposal, as summarised below:</p>

	<ul style="list-style-type: none"> <li>• At the time of the original application, market testing indicated a demand for Classes B1(a) and B1(c).</li> <li>• Prior to and since completion, the building has been actively marketed for the approved uses, however, no tenancies have been secured.</li> <li>• Commercially, there is a distinct lack of appetite from prospective tenants for floorspace that is restricted to Class B1(c); occupiers are instead looking for premises that allow them to grow and diversify where needed. Many companies perform both functions interchangeably with no distinction in floorspace terms.</li> <li>• Key transactors of Class B1(c) focused accommodation have embraced hybrid/working from home more than any other office-based sector.</li> <li>• Of relevance is the so-called 'flight to quality' – a well-documented trend in commercial lettings where companies are prioritising, as part of their business models, a requirement for buildings and premises with at least an EPC grading of B and minimum of BREEAM Excellent standard. An example given is that since 2024, 72% of office space transactions in Dublin have been in ESG accredited accommodation, demonstrating a clear preference by corporate employers.</li> <li>• Policy EC3 was underpinned by 2018 research and could not have foreseen the evolving occupier requirements and preference for ESG accredited floorspace, or widespread hybrid working that has become common in the past 5 years.</li> <li>• Therefore, Belfast has a comparatively short pipeline of office space which meets these requirements and this could result in loss of inward investment or loss of current occupiers within the city.</li> <li>• A documented downturn in the office sector, making speculative office schemes with extant permissions less likely to proceed to construction and market.</li> <li>• A relatively small pipeline of high-quality office space could be damaging to inward investment in all sectors.</li> <li>• The scenario of an already complete building, restricted to Class B1(c) in a Major Employment Location is highly unusual and therefore the change of use, if permitted, would not set a harmful precedent.</li> <li>• The CBRE Belfast Office Market Statement confirms that 55 of the 65 lettings in 2024 were under 10,000 sq ft and the majority (73%) of these lettings were below 5,000 sq ft. The configuration of Olympic House will not therefore suit the majority of city centre office occupiers, reinforcing the target market towards major corporate employers requiring large lettings of accommodation with ESG credentials.</li> <li>• Olympic House is situated just 175 metres from the City Centre boundary as defined within dBMAP 2015. The complementary role which Titanic Quarter plays to the City Centre is clearly articulated in the Council's Belfast City Centre Regeneration and Investment Strategy (BCCRIS).</li> <li>• Olympic House holds the highest sustainability credentials of any office building in the city. A flexible Class B1(a) / B1(c) Olympic House will not cause any harm to the interests of acknowledged importance, in this case the City Centre, rather will support a critical gap in supply of Grade A, BREEAM 'Excellent', ESG compliant accommodation therein supporting the city's ability to attract and retain new and existing investment in the near term and secure and grow jobs within the city consistent with the ambitions of BCCRIS and the Belfast Agenda.</li> <li>• That the location of Olympic House is comparable in terms of walking time to the Primary Retail Core (PRS) as other locations within the city centre boundary such as Shaftsbury Square and the Gasworks for example.</li> <li>• Viability of speculative development in Belfast is challenging due to inflated build costs and finance costs, in addition to the availability of suitable land.</li> </ul>
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<p>5.16</p>	<p><i>Independent assessment:</i></p> <p>In assessing the proposal, officers note the policy concerns raised by the Planning Service's Plans and Policy unit. To help test and assess the arguments put forward by the applicant, officers have commissioned an independent assessment of the applicant's case. This was facilitated by Naylor Devlin whom in turn have utilised the expertise of Lisney, a commercial letting agent.</p> <p>The "Naylor Devlin/Lisney" report corroborates the office needs assessment submitted by the applicant, concluding that:</p> <ul style="list-style-type: none"> <li>• As prevailing levels of demand for space are seemingly on the rise, primarily within Grade A buildings that offer strong sustainability credentials to occupiers, it is likely that we will see a sharp fall in the availability of such space towards the end of 2025 / beginning of 2026.</li> <li>• A large proportion (over two-thirds) of the total available office space in Belfast as at the end of 2024 can broadly be categorised as mid to lower-tier stock that, without substantial refurbishment works being undertaken, does not suitably meet the ever-increasing demand from occupiers for high-quality, sustainable spaces.</li> <li>• The proposal would not have a negative impact on Belfast's office market. In fact, we would be more concerned by the very real threat that the diminishing availability of Grade A office space poses on Belfast's competitiveness as a business destination relative to other large cities across the wider UK and Ireland, as it could well lead to occupiers (existing and potentially future) shifting their attention elsewhere if their space requirements cannot be satisfactorily provided for within the city.</li> <li>• In Q3 2020, a significant amendment was made to the Town and Country Planning (Use Classes) Order in England, with the principal aim being to provide enhanced flexibility of use for many commercial premises by removing unnecessary red tape. Part of the changes included the introduction of a new broader 'commercial, business and service' use class (Class E), which amalgamated several previously separate uses, including B1(a) (Offices) and B1(b) (R&amp;D). The outbreak of COVID-19 escalated the need for such flexibility and the changes introduced have made it easier for businesses to respond and adapt to changing circumstances and associated prevailing demand levels. Whilst this clearly doesn't apply to Belfast, it shows that other parts of the UK are reacting to evolving market dynamics.</li> </ul> <p><i>Sequential test:</i></p> <p>5.17 Policy EC6 states that office development of more than 400 sqm will only be permitted in a major or strategic employment location where it cannot be accommodated in a city centre location and it would otherwise result in the loss of significant inward investment. As the building has already been constructed, the traditional sequential test cannot be applied, however, the principles of Policies RET1 and RET 2 underpin the primacy of the city centre and therefore the sequential approach is still relevant. The application does not demonstrate that the level of Class B1(a) office space cannot be provided in the City Centre and the sequential test is not satisfied, contrary to Policies RET1 and RET2 of the Plan Strategy. Nevertheless, the applicant is advancing other arguments which they state are important material considerations that should be weighed against the conflict with planning policy in the planning balance. These are explored below.</p>
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5.18	<p>Para 8.2.7 of the Plan Strategy states that <i>'preference will be given to edge of centre land before considering an out of centre site'</i>. The proposal is approximately 175m from the City Centre boundary and therefore qualifies as an edge of centre site. Para 8.2.8 states that the policy seeks to <i>'address social exclusion and support equitable growth by ensuring residents have easy access to key facilities, local services and local employment opportunities and by promoting land use integration.'</i></p>
	 <p><b>Map showing the City Centre boundary in blue and the proposal site as the black circle.</b></p>
5.19	<p>The applicant makes reference to the Council's Belfast City Centre Regeneration and Investment Strategy (BCCRIS), which states that other cities have successfully accommodated a dispersed office development pattern with complementary office districts outside their city centres. Whilst Para 8.1.3 of the Plan Strategy states that it will build on the objectives and priorities set out in the Belfast Agenda and BCCRIS, it should be noted that BCCRIS is not a statutory planning document. The Local Policies Plan (LPP) will be the stage at any amendments to the City Centre boundary or spatial zonings shall come forward.</p> <p><i>Demand for Class B1(c) research and development:</i></p>
5.20	<p>The applicant states that despite commercial demand for Class B1(c) at the time that the original application for Olympic House was made, market requirements have changed significantly in the intervening time period with tenants wishing to secure space with maximum flexibility and environmental credentials. They state that despite marketing the building for over 5 years, the restrictions of the Class B1(c) element of the building have proven prohibitive. Evidence is provided by CBRE in support of this point.</p>
5.21	<p>The Naylor Devlin/Lisney report states that Research and Development (R&amp;D) businesses which are most likely to seek Class B1(c) space tend to be <i>'those active within the IT, innovation and research sectors'</i>. They note that these sectors have <i>'embraced and implemented flexible working practices more eagerly'</i> than other sectors following the pandemic which have <i>'impacted heavily on their space requirements, particularly with regards to location, size and need for flexibility'</i>. The Naylor Devlin/Lisney report goes on to state that <i>'prevailing demand levels from R&amp;D occupiers remains limited in Belfast and is not expected to increase in the short to mid-term'</i> and</p>

	observe that any lettings that have been achieved have tended to be below 1,000 sq ft which are smaller than typical layouts in Olympic House.
5.22	<p>The Plans and Policy unit's response notes that no factual evidence has been provided in relation to the demand for B1(c) floorspace, however, it accepts Naylor Devlin/Lisney's report in terms of take-up levels and requirements for smaller floorplates.</p> <p><i>Supply of Class B1(a) general office floor space:</i></p>
5.23	The applicant argues that there is a distinction to be made between the pipeline of development which benefits from planning permission but is yet to be developed and a commercial pipeline of constructed and available floorspace. They state that no additional Grade A, BREEAM Excellent floorspace has commenced development since 2020.
5.24	The applicant's Office Needs Assessment carried out by CBRE contends that there is an emerging gap in both the availability of existing office stock and a sufficient development pipeline of office space in Belfast to meet future market demand and remain competitive in attracting inward investment.
5.25	The Naylor Devlin/Lisney report agrees with the assertions of the CBRE report, using a similar, market-based assessment.
5.26	The Plans and Policy unit has assessed the pipeline of available floorspace to be far in excess of that stated in the Naylor Devlin/Lisney report and clarifies that the grade of floorspace is not identified as a specific class within the Planning (Use Classes) Order (Northern Ireland) 2015. It also advises that <i>'the proposed change in use class at Olympic House could further erode any existing pipeline supply, as developers fail to implement extant permissions within the city centre. This would be at odds with the LDP's aim of ensuring that Belfast City Centre is the primary location for office development'</i> .
5.27	It further states that <i>'with regard to the supply of B1(a) office space, the BCC employment land monitor indicates circa 3,706,768 sq. ft of B1(a) office space that is either classified as "development on-going" or "not started". This would equate to a potential supply of up to 344,370 sqm of B1(a) office space in the medium to long term. 158,778 sq. ft (14,751sqm) of this having already commenced which could be considered as short to medium term pipeline supply'</i> . It summarises the total floorspace of pipeline approvals for "Grade A" office space as 637,202 sq. ft (59,198sqm). It should be noted that this potential supply includes a number of significant permissions at the Gasworks (which have expired), and the detailed office consents at Sirocco and Winetavern Street which are due to expire later this year.
5.28	Both the CBRE and Naylor Devlin/Lisney reports attach much weight to the grade and environmental credentials of the floorspace available. They further delineate between extant permissions and those already available and highlight the decline in speculative developments.
5.29	The Plans and Policy unit cautions against considering differing grades of floorspace as it is not reflective of policy or use class considerations. It is correct that planning policy does not draw a distinction between the different grades of office accommodation. However, offices advise that the so-called 'Flight to Quality' is a recent, recognised trend in market forces the grade and quality of the office accommodation is a material planning consideration.

	<p><i>Fallback:</i></p>
5.30	In assessing the proposal, consideration should be given to the fallback of the current planning permission and potential impacts.
5.31	<p>The current permission permit approximately 20% Class B1(a) floorspace and the remainder as Class B1(c). As there have been no agreed tenancies within the past 5 years despite marketing, it is possible the building will continue to remain vacant. Within the 20% of floorspace that is currently approved as Class B1(a) there is no restriction on the number of tenants that could be accommodated. This could mean that smaller occupiers currently located within the City Centre could relocate to Olympic House under the current permission. There is opportunity through the current proposal to introduce additional restrictions.</p> <p><i>Protection of the vitality and viability of the City Centre:</i></p>
5.32	The overall aim of the sequential test is to take a town centre first approach to the protection of the vitality and vitality of the City Centre. An unrestricted approval for Class B1(a) floorspace could result in tenants locating to TQ rather than the City Centre, or relocating from the City Centre to TQ. The restriction offered by the applicant is a maximum of six tenants across the Class B1(a) floor space. Should six tenancies be agreed, the average floorspace for each would be just under 3,000 sqm.
5.33	It is considered that a minimum floorspace restriction is necessary for the Class B1(a) floor space to prevent occupation by smaller businesses and mitigate potential impacts on the City Centre. The minimum size would be the size of the smallest floor (i.e. 646 sqm (net) on the sixth floor).
5.34	In addition, the applicant is committed to giving 'first refusal' to foreign direct investment (FDI) and to businesses seeking Class B1(c).
5.35	The proposed detailed restrictions are set out in the Section 76 planning agreement section of the report later.
5.36	<p>It is further recommended that the duration of the time period for implementing the planning permission is reduced from the standard five years to three years given that part of the case for granting permission is to address a short to medium term lack of supply of BREAAAM Excellent and ESG standard office accommodation. A longer duration of permission could result in uncertainty for the market and result in fewer such developments coming forward in the city centre.</p> <p><i>Precedent:</i></p>
5.37	<p>Each application should be considered on its merits and on a case-by-case basis. Nevertheless, there is not a comparable scenario of a building which has been constructed which is restricted to Class B1(c) floorspace in an edge of centre location.</p> <p><i>Economic considerations:</i></p>
5.38	The proposal is considered consistent with the aim of the RDS 2035, which seeks to strengthen the role of the Belfast Metropolitan Urban Area (BMUA) as the regional economic driver. The proposal would create a range of economic benefits through increased investment opportunities.

5.39	<p>The applicant estimates that the economic benefits of the proposal would be:</p> <ul style="list-style-type: none"> <li>• Creation of 1,362 FTE jobs</li> <li>• 1,535 net additional employment opportunities</li> <li>• £111.6m of Gross Added Value to the economy</li> <li>• Rates contribution of £1,143,966 / annum</li> </ul>
5.40	<p>An Employability and Skills Developer Contribution is to be secured through a commitment to a Construction Employability and Skills Framework for the internal fit-out of the office floorspace prior to the commencement of works and this should be secured by a Section 76 planning agreement.</p>
5.41	<p>These economic benefits are material considerations that need to be weighed in the planning balance.</p> <p><i>Conclusion:</i></p>
5.42	<p>The proposal is in conflict with Policies EC3, EC6, RET1 and RET2 of the Plan Strategy as it has not been demonstrated that the level of proposed Class B1(a) floor space cannot be accommodated in a city centre location and the sequential test is not met.</p>
5.43	<p>However, there are a number of material considerations that need to be considered.</p>
5.44	<p>Whilst there is a significant supply of Grade A office floor space across the city as confirmed by the Plans and Policy unit, it is evident that there is a short supply of BREAAAM Excellent accredited and ESG floor space. This limited pipeline of the highest quality office accommodation decreases the economic competitiveness of the city and its ability to attract new investment, including significant inward investment. This is particularly a concern given the more recent “flight to quality” trend of businesses.</p>
5.45	<p>Given this lack of supply, companies potentially interested in locating to Belfast may have to look to other cities and towns on the basis of insufficient ESG standard office accommodation in Belfast City Centre or elsewhere in the city. Therefore, there is less likelihood that the proposal, if approved, would divert new office occupiers away from the City Centre. The potential for existing office businesses in the City Centre locating to the application site would also be lessened due to the proposed restrictions for Class B1(a) occupancy such as the maximum number of tenants. Moreover, preference will be given to occupancy associated with inward investment, responding to one of the aims of Policies EC3 and EC6 of the Plan Strategy. These, and other mitigation measures, would be secured through a Section 76 planning agreement. Therefore, officers advise that the proposal would unlikely result in significant adverse impact on the vitality and viability of the City Centre.</p>
5.46	<p>Regard is also had to the out of centre location of the site, approximately 175 metres from the boundary of the City Centre, and that the proposal would not set a precedent, with no other constructed but empty buildings with similar restrictions, size and location.</p>
5.47	<p>Having regard to these factors and the considerations set out in this report, it is considered that these material considerations outweigh the policy conflict, that there will not be significant adverse impact on the city centre and that the proposal is acceptable.</p>



	<b>Environmental considerations</b>
5.48	The proposal would have no environmental impacts over and above the current permitted uses in relation to contaminated land, noise, odour, air quality, flood risk and impacts on natural heritage.
5.49	In these regards, the proposal is considered compliant with Policies ENV1, ENV4 and NH1 of the Plan Strategy.
	<b>Health impacts</b>
5.50	Policy HC1 seeks to ensure that all new development maximise opportunities to promote healthy and active lifestyles. New developments should be designed, constructed and managed in ways that improve health and promote healthy lifestyles. This will include supporting active travel options, improving accessibility to local service centres, reducing the use of private car travel, adequate provision of public open space, leisure and recreation facilities, high quality design and promoting balanced communities and sustainable neighbourhoods.
5.51	The site is very accessible and provides excellent opportunities for active travel, including walking and cycling, through excellent linkages with the City Centre and its shops, services and amenities. Active travel will be further encouraged through the proposed green travel measures.
5.52	In terms of placemaking, the building as constructed is considered to be of a high-quality design which would provide a pleasant working environment, and well as enhancing the character and appearance of the area.
5.53	The proposal is considered to satisfy the requirements of Policy HC1.
	<b>Climate Change</b>
5.54	Policy ENV2 states that planning permission will be granted for development that incorporates measures to mitigate environmental change and reduce greenhouse gases by promoting sustainable patterns of development. Policy ENV3 states that planning permission will be granted for development that incorporates measures to adapt to environmental change.
5.55	Olympic House has been constructed to BREEAM Excellent standard and is ESG compliant office accommodation. It uses 100% renewable electricity sources, supporting Belfast's drive towards net-zero carbon emissions goal. The building incorporates air source heat pumps, large perimeter windows PV panels, rainwater harvesting and recycling captures, daylight dimming and PIR control.
5.56	The building complies with Policies ENV2 and ENV3 of the Plan Strategy.
	<b>Traffic and Access</b>
5.57	Olympic House has already been considered as office development within the associated transportation analysis considered within the Titanic Quarter Transport Master Plan and the Transport Assessment Form submitted as part of the planning application for Olympic House and the Queen's Island Transport Plan. DFI Roads was consulted on this application and requested that the Transport Assessment Form and Travel Plan be updated from the current planning permission (Z/2013/0931/F) so that matters relating to trips / modal splits and the provision / contribution to more

5.58

sustainable modes of transport/travel can be considered. An updated report and form was submitted and DFI Roads, which offers no objection to the proposal.

The proposal complies with Policies TRAN1, TRAN4 and TRAN8 of the Plan Strategy.

**Section 76 planning agreement**

5.59

If the application is approved, it should be subject to a Section 76 planning agreement to secure the following planning obligations. These are considered necessary to make the proposed development acceptable.

- **Employability and Skills** – the submission and implementation of a Construction Employability and Skills Plan.
- **No restriction on number of occupiers or minimum floorspace for B1(c) lettings** – this aspect of the use is policy compliant and no restrictions are necessary.
- **No restriction on number of occupiers or minimum floorspace for B1(a) uses where it is demonstrated to the Council’s satisfaction that the letting represents significant inward investment that cannot be accommodated within the city centre**
- **Restrictions on maximum number of occupiers for B1(a) lettings** – the applicant has agreed that this is capped at no more than six occupants.
- **First refusal to tenancies which incorporate B1(c) floorspace** – this is to ensure that where there are multiple tenancies under consideration, that the applicant is showing preference to the lesser impact class.
- **First refusal to tenancies which include significant inward investment** – this is to ensure that where there are multiple tenancies under consideration, that the applicant is showing preference to the more desirable tenant, having regard to Policies EC3 and EC6.
- **Restrictions on minimum floorspace** – using a maximum number of tenants that would leave the average floorspace at approximately 2,900 sqm if the building is wholly occupied as Class B1(a). It is proposed that the minimum floorplate of any B1(a) letting accords with the table below (net floor space area). The smallest floor area is 464 sqm (sixth floor).

Sq.m					
Level	Block A1	Block A2	Block B	Block C Atrium	Total
GROUND FLOOR	821	n/a	755	350	1926
FIRST FLOOR	493	623	691	-	1807
SECOND FLOOR	615	701	801	-	2117
THIRD FLOOR	619	701	801	-	2121
FOURTH FLOOR	619	701	801	-	2121
FIFTH FLOOR	619	701	801	-	2121
SIXTH FLOOR	*464	793	-	-	1257
Total	4250	4220	4650	350	13,470

5.60	<p>The planning agreement is being finalised in view of the complex and bespoke nature of the recommended planning obligations. Delegated authority is sought to finalise the wording of the planning agreement. Should the planning agreement not be completed by 31<sup>st</sup> May 2025, and where necessary, the application will be reported back to the Committee for reconsideration.</p> <p><b>Pre-Application Community Consultation</b></p>
5.61	<p>For applications for Major development, there is a legislative requirement for applicants to consult the community in advance of submitting the application. Applicants are required to submit a 'Proposal of Application Notice' (PAN) to the Council in advance of making the application, which sets out the proposals for the pre- community consultation. A PAN was submitted in March 2024 (LA04/2024/0493/PAN) and confirmed by the Council to be acceptable.</p>
5.62	<p>The applicant is further required to prepare a Pre-Application Community Consultation report (PACC) to accompany the planning application. A PACC Report was submitted with the application, which describes the engagement process and feedback received.</p>
5.63	<p>A public event was held on the 02 May 2024 within Olympic House and dedicated community consultation website setup. In total, eight individuals engaged via feedback forms, email and attend the event. Feedback was provided in relation in homeworking, traffic and job creation.</p>
5.64	<p>The PACC report is considered compliant with the legislative requirements.</p>
<b>6.0</b>	<b>Recommendation</b>
6.1	<p>Having regard to the Development Plan and material considerations, it is recommended that planning permission is granted subject to conditions and a Section 76 planning agreement.</p>
6.2	<p>Delegated authority is sought for the Director of Planning and Building Control to finalise the wording of the conditions, finalise the wording of the Section 76 planning agreement and deal with any issues arising so long as they are not substantive. Should the planning agreement not be completed by 31<sup>st</sup> May 2025, and where necessary, the application will be reported back to the Committee for reconsideration.</p>
<b>7.0</b>	<p><b>DRAFT CONDITIONS</b></p> <ol style="list-style-type: none"> <li>1. The development hereby permitted must be begun within three years from the date of this permission.  Reason: As required by Section 61 of the Planning Act (Northern Ireland) 2011.</li> <li>2. The development hereby approved shall not be occupied or operated unless in accordance with the approved Travel Plan uploaded to the Planning Portal on 10 January 2025.  Reason: To promote sustainable travel patterns and off-set the demand for vehicular movements and/or parking.</li> </ol>

	<p>3. The building shall ensure a suitable internal acoustic environment of 40dB(a) as per BS 8233:1999 Sound Insulation and Noise Reduction for Buildings.</p> <p>Reason: In the Interests of public amenity.</p> <p><b>DRAFT INFORMATIVES</b></p> <p><b>NOT04            Section 76 planning agreement</b>  This planning permission is subject to a planning agreement under Section 76 of the Planning Act (Northern Ireland) 2011. This decision should be read in conjunction with the planning agreement.</p> <p><b>NOT02            Compliance with planning permission</b>  Please make sure that you carry out the development in accordance with the approved plans and any planning conditions listed above. Failure to do so will mean that the proposal is unauthorised and liable for investigation by the Council's Planning Enforcement team. If you would like advice about how to comply with the planning permission, you are advised to the contact the Planning Service at Belfast City Council at <a href="mailto:planning@belfastcity.gov.uk">planning@belfastcity.gov.uk</a>.</p>
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