



## Belfast City Council

<b>Report to:</b>	Strategic Policy & Resources Committee
<b>Subject:</b>	Growing the rates base – the future importance of tall buildings in Belfast
<b>Date:</b>	Friday 18 April 2008
<b>Reporting Officer:</b>	Peter McNaney, Chief Executive
<b>Contact Officer:</b>	Gerry Millar, Director of Improvement

### Relevant Background Information

#### ***Purpose of Paper***

The purpose of this paper is to gain agreement from Members to request meetings between the Environment Minister (Arlene Foster), the Social Development Minister (Margaret Ritchie) and the Finance Minister (Peter Robinson) and a cross party delegation from the Council to lobby the case for tall buildings in Belfast to help achieve the Council's aim of growing the city's rates base and to act as a catalyst for further city investment.

#### ***Background***

There are a number of proposals for mixed use (commercial/residential) tall buildings in and around the centre of Belfast. The developers involved are becoming increasingly frustrated that the major infrastructure opportunity for Belfast is not getting sufficient support from the Planning Service and a number of them have approached the Council for assistance.

The key argument for Council assistance is that developers increasingly see the Council as the custodian of the city's well-being. They cite the Council's position in regard to –

- welcoming investment particularly in the light of the forthcoming US conference and our own City Investment Strategy;
- our arguments about increasing the city's population;
- our ambition to be a leading European city with cutting edge architecture
- the need to consolidate the city centre as Titanic Quarter grows and creates displacement i.e. the proposed Belfast Metropolitan College and the associated reduction of student spend in the city
- the stated need for gateway projects in the Council's Masterplan e.g. Shaftesbury Square/Great Victoria Street

There are many aesthetic pros and cons for tall buildings but it is generally agreed that they work best in clusters.

Officers have explained that the Council cannot be expected to lobby Ministers on individual proposals but that the Committee might consider making a broader argument in regard to the overall impact on city investment and the city rate base.

#### ***Current position***

Cities and their skylines evolve. The great cities of the world have internationally recognisable tall buildings which dominate their skylines and are instant landmarks – e.g. Tower 42 and Canary Wharf in London, the Empire State Building and the Chrysler Building in New York, the Sears Tower in Chicago, the Burj Al Arab Hotel in Dubai and the Petronas Towers in Kuala Lumpur.

As Members are aware land is a scarce resource, particularly in city centres. This

necessitates greater density of development which often leads to the building of tall buildings. In cities across the world there is a growing trend towards multi-use tall buildings which house residential, office, commercial, shopping and even educational facilities under one roof. Tall buildings are seeing an unprecedented resurgence in the UK and across the world with 40% of the world's tallest buildings having been completed since 2000<sup>1</sup>.

The issue of tall buildings often sparks much heated debate with advocates both for and against them. There is much research to evidence that in the right place, tall buildings can make positive contributions to city life. They can be excellent works of architecture in their own right. Individually, or when built in clusters, they affect the image and identity of a city as a whole. In the right place they can serve as beacons of regeneration and stimulate further investment. The positive effect that a tall building can have on perceptions can extend to entire cities e.g. the recently completed 48 floor mixed use Beetham Tower in Manchester has promoted the city's image as a modern and dynamic place and attracted huge media interest. The Gherkin in London has shown how a top class, quality designed building can capture the public imagination and instantly become a symbol of a city.

However it is important that to note that tall buildings must be of a high quality design, be sustainable, environmentally friendly and socially responsible. For many people tall buildings are synonymous with the badly designed, cheaply built, badly maintained buildings which sprung up during the 60s which failed to meet the needs of their users and did little for their local environment.

### **Key Issues**

This is a time of great and exciting change for Belfast. Projects such as the new openly £400million Victoria Square and the regeneration of major sites such as Titanic will continue to change and transform the skyline. However it has been commented that Belfast is a *city of bungalows*. There are only a handful of buildings which could currently be considered as 'tall' including Windsor House in Bedford Street and the City Hospital. However these are older buildings and none could be considered buildings of high architectural merit.

In order to cement Belfast's unique position and to allow it to flourish as a global city there is a need to look at the issue of tall buildings and how this can be progressed to best meet the needs of the city.

#### ***Policy Framework – Tall Buildings***

As Members are aware there are currently a number of tall buildings which have received full planning permission in Belfast although work has yet to commence on some of these e.g. the Obel development off Custom House Square and Bedford Square. A number of others are currently in the planning application stage including the iconic £90million/37 floor Aurora Building at Great Victoria Street. There are also a wide number of other tall buildings developments which are currently at the concept stage only across the city including the redevelopment of Windsor House in Bedford Street (which if redeveloped would be Ireland's tallest building) and the current site of Park House in Great Victoria Street. The significance of these developments is underlined by the fact that these three developments alone (Aurora/Park House/Windsor House) have a combined gross development value of more than Victoria Square.

As evidenced above there has been an increasing number of applications for tall buildings in Belfast over the past decade and it is likely that this will continue to increase as the city's reputation grows. However an emerging issue which is coming increasingly to the fore is that there is no overall policy framework for tall buildings in Northern Ireland. Decisions by the Planning Service on tall buildings in Belfast are taken on an individual basis as they come in with little acknowledgement given to the wider picture of how all the developments could work together or become clusters which will help stimulate further regeneration, growth and investment. There is also a tendency for risk adversity when it comes to these types of decisions due to the lack of direction in relation to

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<sup>1</sup> The Economist June 2006

assessing proposals.

In contrast in England and Wales guidance is available on tall buildings which helps local planning authorities to evaluate planning applications for tall buildings and also offers good practice in relation to tall buildings. The policy guidance in England and Wales advises local planning authorities to identify locations for tall building in their development plans. Many English councils have separate tall buildings policies.

There is clearly a need for a 'tall building' framework to be developed. As Members are aware the Planning Service is currently undergoing a period of review and reform and it is timely to bring this issue up for debate.

### **Population density and growing the city's rates base**

As Members are aware, Belfast's population is predicted to continue to decline over the next 20 years. It has already been acknowledged that this will have a detrimental effect on the city's rates base and the Council has already identified this as a strategic issue. Looking at ways to increase the population, particularly of trying to bring people back into the city centre, is one way to reverse this decline. Growing the city's population is also key to improved competitiveness as evidenced in Michael Parkinson's research and Belfast City Council has already outlined its aim to increase the city centre population by 100,000.

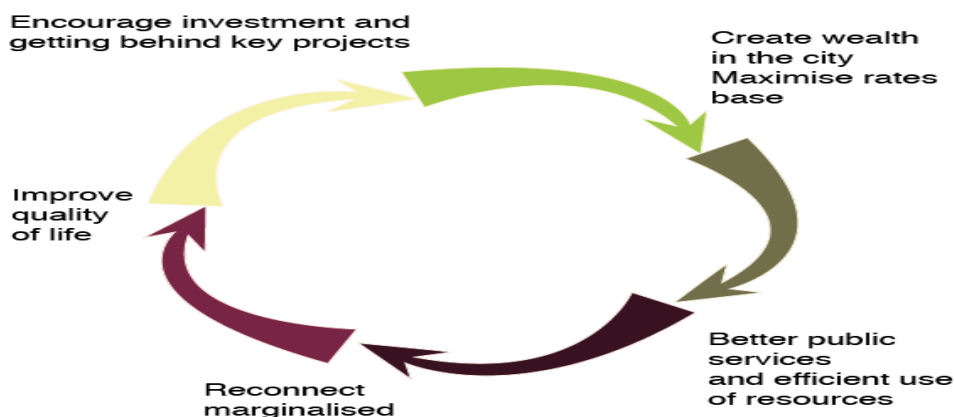
Across the UK there is a growing trend for 'apartment living' in city centres. City centre living offers many advantages – close proximity to shops and associated services and it also makes the best use of existing city centre infrastructure with good transport links. Maximising the development of existing brownfield sites in the city also helps to protect open space.

Building tall is not the only way to increase population density in cities but it is clear that tall buildings, particularly apartment blocks or mixed use developments, are a key way of helping to bring people back into the city centre and so helping to provide the intensification of activity and densification of people that help make cities thrive. For many years Belfast city centre was not regarded as a safe place to live however this is now starting to change with releases for high quality apartment blocks in the city centre selling out quickly e.g. the apartments at Victoria Square sold out at a time when there the housing market had taken a downturn and the apartments that were released at the Obel development at Custom House Square sold out within 48hours of release.

The diagram below shows how encouraging investment and getting behind key projects can help to grow and maximise the rates base in the city which in turn allows us to deliver better services and reconnect the marginalised. This is a key argument for the need for mixed use type of tall buildings in the city centre.

## **Growing investment and meeting need**

### **The virtuous circle**



### **Gateways sites - Regeneration**

As highlighted tall buildings as flagship projects can also act as major catalysts for regeneration in areas. Tall buildings do not necessarily have to be in the core city centre to be successful. There are numerous examples of successful tall buildings which are on gateway sites around city centres – the very successful Beetham Tower in Manchester which is highlighted above was built outside the traditional core of the city centre. Developments on gateway sites can also benefit from having good public transport links.

Another strong example of a tall building which was on a gateway site and which acted as a major regeneration catalyst is One Canada Square, the main tower at Canary Wharf, which is still the tallest building in the UK. Despite having to contend with a recession shortly after construction, it sparked the transformation of the Isle of Dogs in London. The area is now a major financial, commercial, residential and leisure centre. While the office space contained in One Canada Square could have been provided in a lower building occupying a greater floor area, as a tall building it worked as a beacon, boldly signalling that the area was enjoying major investment and in turn helping to attract further investment in to the area.

The proposed cluster of tall buildings in the Great Victoria Square area of Belfast mentioned above could help to significantly regenerate this area and act as a catalyst for further regeneration.

### **Planning Gain – Tall buildings**

An excellent tall building should positively enhance its locality and share the benefits of the investment throughout the local area including improvements to the public realm and helping to secure additional public space. This can help contribute to the safety, diversity, sense of place and social engagement of an area. In England these additional improvements are often secured through the use of planning obligations.

The legislative basis for planning obligations is Section 106 of the Town and Country Planning Act 1990. Planning obligations are defined as "*the principle of a planning applicant agreeing to provide additional benefits or safeguards, often for the benefit of the community, usually in the form of related developments*". Their purpose is to mitigate the impact of a proposed new development. S106 agreements can be undertaken in numerous ways – to *prescribe* the nature of development (e.g. by requiring that a given proportion of housing is affordable); or to secure a contribution from a developer to *compensate* for loss or damage (e.g. loss of open space); or to *mitigate* a development's impact (e.g. through increased public transport provision).

The experience from England and Wales would suggest that Section 106 arrangements – although complex and time-consuming to put into place, deliver real tangible outcomes. According to research carried out recently by the Joseph Rowntree Foundation, planning agreements are now attached to 40% of major residential planning permissions in England compared to 26% in 1998. In 2003/04 the value of obligations agreed was estimated to be approximately £1.9bn.

There are no specific planning obligation provisions in place in Northern Ireland. However, Article 40 of the Planning (Northern Ireland) Order 1991 provides similar powers to Section 106. Article 40 is however much narrower and more one dimensional than Section 106 and can **only** be applied to the development in question. To date Article 40 agreements have been quite restrictively applied in Northern Ireland and the only real uses of it in Belfast have been with regards to transport related issues.

It is apparent that local authorities in Northern Ireland are missing a significant opportunity that is afforded to councils in GB due to the differences in the legal basis for planning obligations and that as a Council we are missing out on a potentially invaluable source of funding which could be used to significantly improve infrastructure.

The Council has a very robust position on the need for planning gain in Northern Ireland which has been consistently highlighted both in consultation responses (BMAP, the Belfast Metropolitan Transport Plan etc.) and in discussions with the Planning Service and other Government Departments.

It is timely to consider this issue now given the ongoing review of the Planning Service in Northern Ireland and the outcome of the Review of Public Administration which will mean

that from 2011 local government will have responsibility for aspects of planning.

**Next Steps**

Tall buildings need to be considered for the positive qualities they can bring to Belfast. Belfast City Council is ambitious for the city which has been demonstrated by the commitment to creating a legacy for tomorrow '*Today's Actions, Tomorrow's Legacy*'. Tall buildings will help to cement Belfast's growing reputation as a city on the rise and will help generate confidence in its future - socially, economically and aesthetically. As Belfast currently has a limited number of tall buildings this also gives the city a unique opportunity to learn from the mistakes of other cities and to ensure that any high rise building are of the highest quality and use innovative design.

In order move this debate forward and to ensure that Belfast will have some truly iconic for the new century it is recommended that the Council requests a meeting with the Environment Minister, the Social Development Minister and the Finance Minister to lobby the strong case for tall buildings in Belfast based on the arguments highlighted above.

**Resource Implications**

N/A

**Recommendations**

The Strategic Policy & Resources Committee is asked to note the contents of this report and -

- Agree to request meetings between the Environment Minister (Arlene Foster), Social Development Minister (Margaret Ritchie) and the Finance Minister (Peter Robinson) and a cross party delegation from the Council, led by the Chairs of the Strategic Policy and Resources and Development Committees, to lobby the case for tall buildings in Belfast as a mechanism to help grow the city's rate base and act as a catalyst for further city investment and to explore with Ministers the potential for planning gain to act as a mechanism to lever further resources into the provision of public infrastructure.

**Key to Abbreviations**

N/A

**Documents Attached**

Examples of tall buildings



## Appendix 1 – Examples of Tall Buildings – Belfast, UK and Ireland

### Obel Belfast



**Height:** 80 m

**Floors:** 26

**Status:** Planning Approval granted – foundation work started

**Type** – Residential

**Cost** - £50million

- Delays to project

### Aurora Building, Great Victoria Street Belfast



**Height:** 109m

**Floors:** 37

**Status:** Planning permission applied for

**Type** – Mixed use

**Cost** - £90million

- 291 apartments
- 7,000sq ft commercial
- Roof garden
- Gym
- Valet car parking
- Car club

## Bedford Square Belfast



**Height:** 104m

**Floors:** 26

**Status:** Planning approval granted

**Type** – Commercial

**Cost** -

- 235,000 sq ft of office space

## 30 St. Mary Axe, London (the Gherkin)



**Height:** 180 m

**Floors:** 40

**Status:** Completed

**Type** – Commercial

- Opened in 2004
- Iconic building in London
- Public restaurant on 39<sup>th</sup> floor with a private dining room on the top floor
- Voted the 'Most Admired New Building In the World' in 2005



## Beetham Tower Manchester



**Height:** 171 m

**Floors:** 50

**Status:** Completed

**Type** – Mixed Use

**Cost** - £150million

- 5\* 285 room Hilton Hotel
- Sky bar at level 23
- Private apartments with roof garden
- further developments now planned for surrounding area including commercial space

## U2 Tower Dublin



**Height:** 120m

**Floors:** 35

**Status:** Planning Approved (due to begin in 2008)

**Type** – Residential

**Cost** - €200million

- Situated in the Docklands area of Dublin
- A 5\* hotel is due to be completed adjacent to the site as well as a block of social and affordable housing

