



Growing Belfast

Assessing the Case of Belfast City Meeting its
Population Target





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Foreword

Foreword



Andrew Webb
Chief Economist,
Grant Thornton

Belfast is different. Our history, our culture, our music, our industrial heritage, even our sense of humour all set us apart from other cities. So too does how our city centre has developed over recent decades.

Cities everywhere follow a well-established pattern with densely populated centres moving outwards to roomier, less dense suburbs. In Belfast, it is almost the exact opposite.

At its height, Belfast was home to 385,000 people in 1911. But, with de-industrialisation came depopulation, accelerated by The Troubles, with the city's population today lower than it was a hundred years ago.

The situation is most acute in our city centre. Belfast stands apart from other cities in having one of the most underpopulated city centres anywhere. Whilst this might have been understandable during thirty years of civil strife, the phenomenon of city centre living growth that other cities are experiencing has passed us by. Between 2004 and 2019, Manchester has witnessed a 185% growth in its city centre population. During the same period, the number of people living in central Belfast has risen by only 44% and at a total of just 7,764 people, it is nearly 4 times smaller in size than Manchester.

Grant Thornton and Belfast Chamber have collaborated to produce this 'Growing Belfast' report because of our shared belief that the surest sign that our city has regenerated is a growth in city centre living and the undoubted benefits that would bring to Belfast.

'Growing Belfast' sets out the scale of the prize that can be secured if our city hits the council's 'Belfast Agenda' target of 11,500 residential units in our city centre.

Our analysis shows that, achieving that aim would:

- Swell the city's population by c.20,200 – the equivalent of a town the size of Omagh
- Produce an additional spend in our economy of £165.9m, greatly assisting retail, hospitality and leisure businesses located in the city centre
- Eliminate 4,090 tonnes per annum of CO2 as a result of fewer commutes, the same as planting c.205,000 trees a year

But beyond even the sizeable economic benefits, repopulating Belfast city centre is both symbolic and socially significant with a genuinely shared city centre community with a mix of housing tenure types a clear indication that Belfast's rebirth is complete.

c.20,200 more people living in central Belfast would overcome the sense that our city goes to sleep at 5pm on weekday evenings. A new neighbourhood in the heart of Belfast would make our city safer and a 24/7 vibrant place to live, work and enjoy leisure time.

Increasing housing supply generally and especially so in the city centre is also absolutely essential to stopping the 'brain drain' and securing our emerging status as a tech hub. Belfast Chamber's 'Next Gen Belfast' survey found that just under 1,000 students and young professionals ranked more city centre living as the number one improvement they'd like to see. If we want to win the race for talent, then we need to increase the supply of affordable, quality, city centre homes.

If we genuinely want to complete Belfast city centre's regeneration and do so in ways that boost city centre businesses, help stop our 'brain drain' and assist in fighting climate change, then Belfast needs to move beyond targets and produce a plan that delivers the homes our city centre needs and begin to reap the social, economic and environmental rewards of doing so.



A Bolder Vision for Belfast

A Bolder Vision for Belfast

Setting the Scene

Belfast is long established as Northern Ireland's economic and social hub. The city is home to almost 20% of NI's population and accounts for a third of NI's economy. Like many post industrial cities, Belfast is on a new path, one that has seen a suite of major regeneration projects such as the development of the Lagan Waterfront, Titanic Quarter, Victoria Square and the new Ulster University Campus delivered. New stock of Grade A offices, hotels, apartments and student accommodation dot the city's skyline.

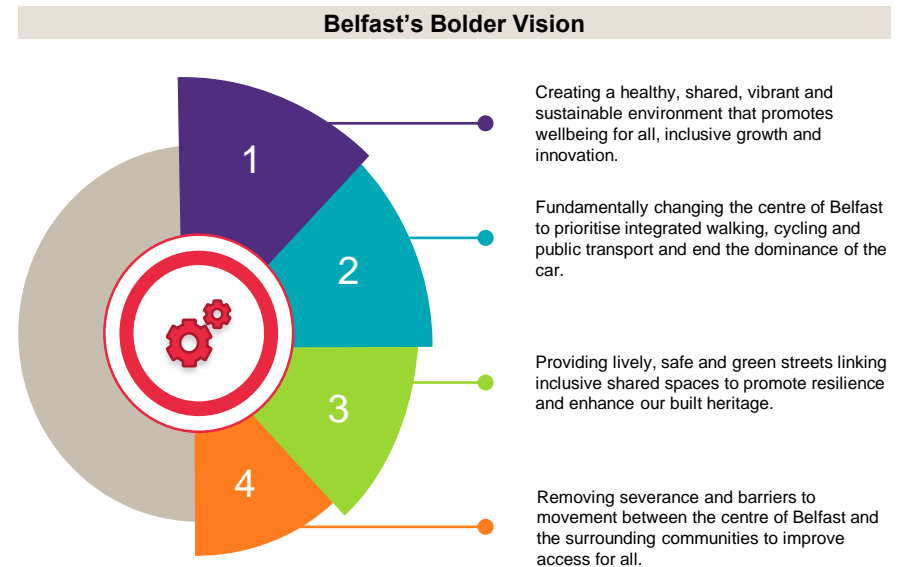
A knowledge based economy has emerged in Belfast. Driven by excellent digital infrastructure and a young, talented workforce, Belfast has become one of the top 10 locations of the future for technology investment and a leading European city for cyber-security.

There is more to come for Belfast. Future developments like the Transport Hub and the Belfast Region City Deal are just two pipeline developments. The City Deal is a £1 billion co-investment package that is vital for growth. It is estimated that the deal will create up to 20,000 new and better jobs, delivering a 10-year programme to unlock new innovations and R&D pathways whilst ushering in a new era of inclusive economic growth.

Belfast's ambition has been articulated most recently in 'A Bolder Vision'. A Bolder Vision plans for a re-imagined Belfast City Centre that is greener, walkable and connected. The Bolder Vision is underpinned by four visioning principles which will see Belfast City Centre, by 2035, as inclusive, innovative, more accessible and with more people living in the city centre.

The various regeneration initiatives and ambitious goals for the city are predicated on growing the city's population, and repopulating the city centre.

At the start of the 1970s Belfast's stood at almost half a million. Decades of population decline mean the council area is now home to 342,560 residents. This population decline has coincided with a steady increase in the level of commuting, with estimates suggesting that approximately 92,000 people work in Belfast but live elsewhere.



To create a focus and momentum behind increasing Belfast's population the Belfast Agenda set out the aim of increasing the overall council population by 66,000 and increase city centre living by c.20,200 by 2035.

The 'prize' for achieving population growth in the city is multi-faceted. Having declared a climate emergency, reducing commuting levels into to city each day will contribute to carbon reductions. Further, done in a way that is sympathetic to Belfast's character, developing high quality living through renovated building and new build will create economic (e.g. consumer spending) and social (e.g. shared space) benefits that will see Belfast deliver on an ambition to be a vibrant modern city.

By modelling the potential economic impact of achieving population targets, this report is intended to re-energise the policy discussion about how to achieve population growth.

Snapshot of Belfast's Economy



A City Reimagined

The Belfast Agenda

Belfast and the Belfast Agenda

In 2017, Belfast City Council developed the Belfast Agenda alongside residents, city partners and community organisations. The Agenda set out the vision and long-term aims for the City and council area, with the aim for both areas to fulfil their 'true' potential. Targets have been developed with both a long-term and short-term time horizon in mind, with targets being developed for 2035 and 2021. The below sets out the targets contained within the Belfast Agenda.



A Stretching Growth Target

Population trends and projections

The Agenda – The Progress to Date Belfast City Centre

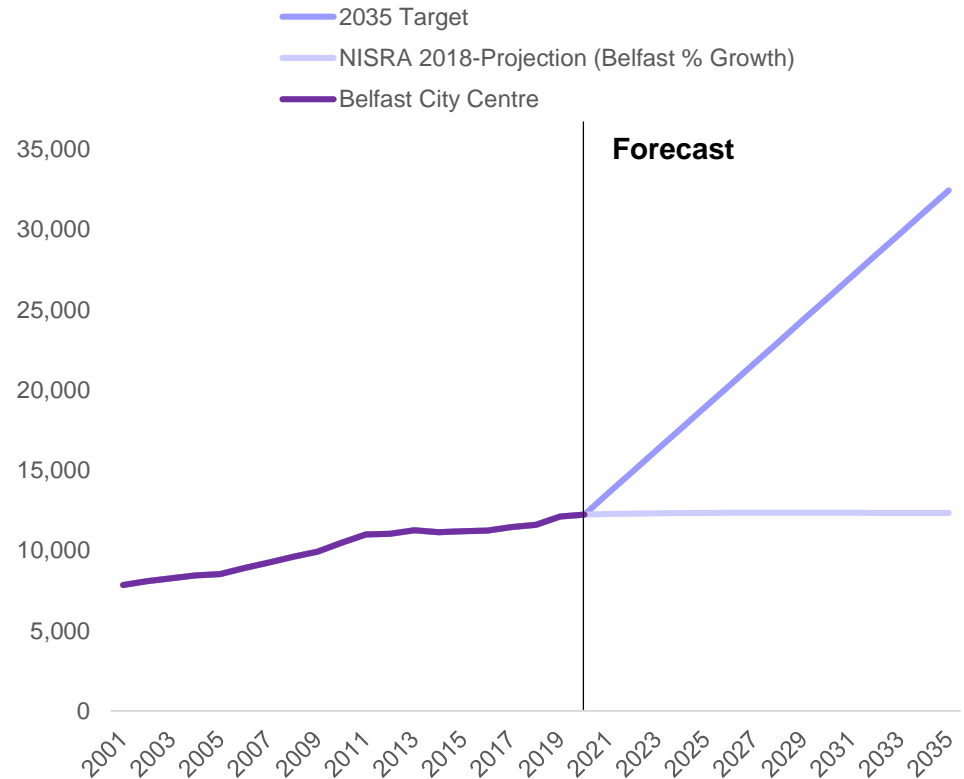
The Belfast Agenda not only set targets for the overall city council area it also sets a target of an additional 8,000 new homes above current levels in the Belfast City Centre and an additional 3,500 new homes within the Harbour Estate by 2035.

These new home targets translate to increasing the City Centre and Harbour Estate population by c.20,200. This is almost 31% of the 66,000 target that has been set for the whole council area.

The figure adjacent shows the population trend of current city centre residents from 2001 to 2035. For comparison a scenario where City Centre living grows at the same rate as NISRA currently expects the overall council area to grow is included. This suggests that population in the city centre is projected to be 20,100 below target.



Total Population, Belfast City Centre, 2001-35



Source: NISRA, Belfast Agenda & Grant Thornton Analysis

A Stretching Growth Target

Population trends and projections

Belfast and the Belfast Region City Deal (BRCD)

In the October 2018 budget, the Chancellor announced a commitment to the BRCD of £350m from the UK government, alongside a further £150m committed by the BRCD partners. In May 2020, the NI Executive confirmed that it will provide match funding of £350 million towards the BRCD. This funding package of £850m is set to be further enhanced by private sector investment, providing the BRCD with a 10 year Programme of Investment that will be well in excess of £1billion.

The BRCD aims to build upon the regional strengths and areas of competitive edge in order to tackle issues such as low productivity, low levels of R&D investment, skills and tackle economic inactivity. To provide a basis for tackling these areas, four pillars for investment have been developed;

- Innovation and Digital – building upon our innovation and digital capability to achieve world leading competitiveness in key sectors;
- Tourism and Regeneration – Developing world-class attractions and investing in our towns and cities;
- Infrastructure – connect people to opportunities and services through enhanced/sustainable infrastructure; and
- Employability and Skills – Put in place employability programmes that enable a constant supply of talent and skills to support BRCD investments.

Business cases for each of the proposed investments are underway and investments will be underpinned by the development of an integrated and complementary Employability and Skills proposition to ensure that the right skills are available within the region to support the growth created by the planned capital investments.

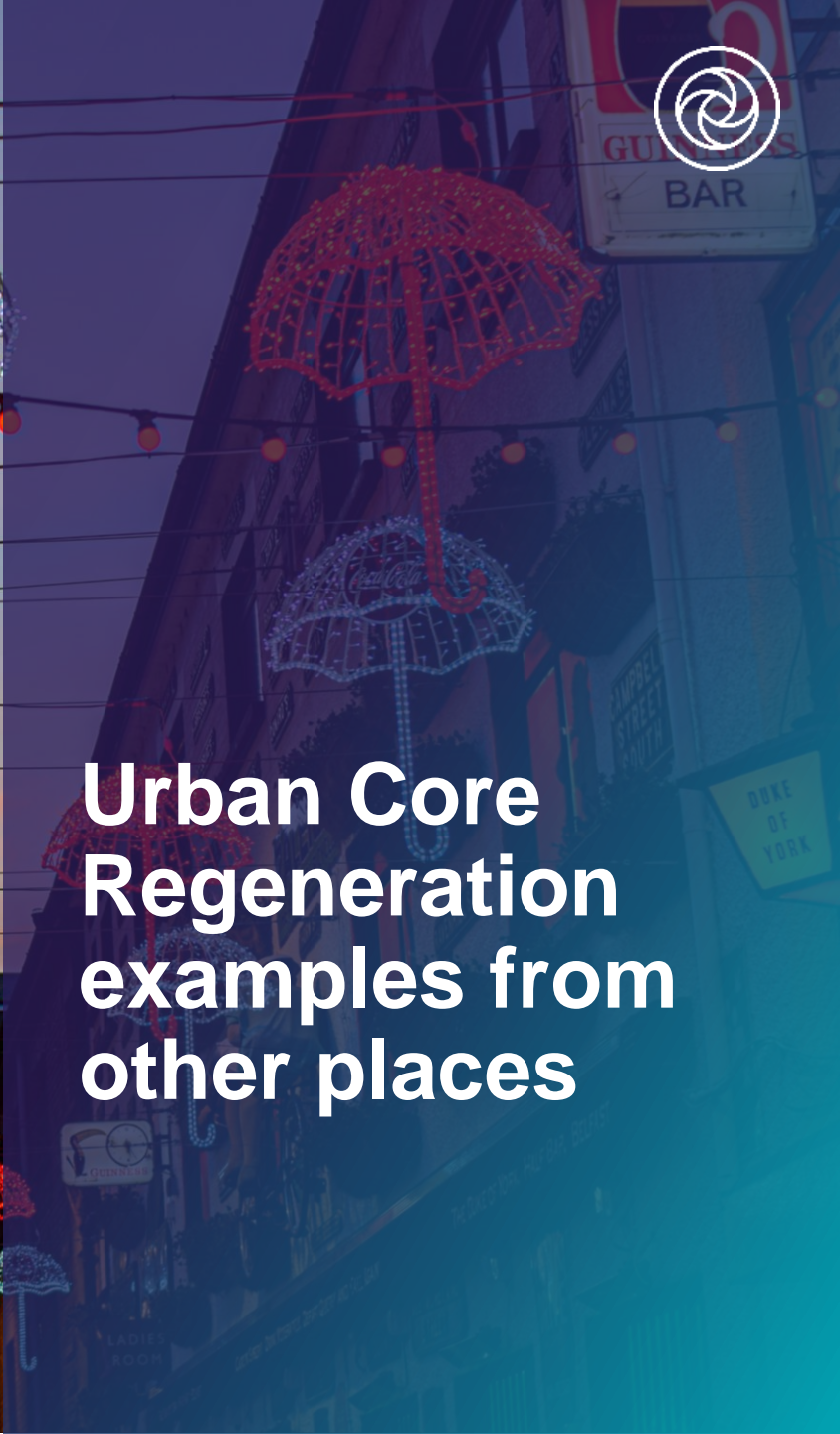
Belfast 'Our Recovery'

In response to the effects of the Covid-19 pandemic, the council produced the 'Our Recovery' Strategy. The aim of the strategy was to ensure the council and its businesses/people were ready to for when the recovery began. The strategy developed a recovery programme which would help both people and business in their recovery with each step set out in order to allow them to return to growth levels as soon as possible. The recovery framework is made up of 5 key areas, with these leading the recovery, these areas are;





Urban Core Regeneration examples from other places



Urban Core Regeneration

Reinventing towns and cities as attractive living areas

Introduction

Regenerating city centres has evolved over time but typically focusses on commercial, leisure and residential developments. The inclusion of residential development within regeneration strategies has gained a more recent focus than commercial and leisure thanks in part to a growth in concerns about sustainability and climate change. The rise in prominence of the concept of the 15 minute city and/or the 20 minute neighbourhood, where most daily requirements are within a short cycle or walk, has also contributed to a new sense of opportunity for urban developers. Belfast, as an already compact city with a strong development pipeline, is well placed to develop a revitalised urban core that reflects a current mood, amplified by the pandemic, to ending long commutes and live in a more sustainable manner.

The impacts of town/city regeneration can have profound impacts, including retail stimulation from increased consumer spending, population increases, attraction of inward investment and improvements in quality of life etc. While there is no recipe for urban core regeneration, its evolution over time provides a rich source of examples from which to learn.

As such, this section will explore and review regeneration projects that have taken place throughout the UK and further afield. An insightful contribution to the urban development discourse is 'Ten Principles for Urban Regeneration, Making Shanghai a Better City' from the Urban Land Institute which helpfully distills the learning from Shanghai and other regeneration projects as follows.



Urban Core Regeneration

Bristol

Bristol Temple Quarter Regeneration

The transformation project in Bristol's Temple Quarter is one of the largest regeneration projects across the whole of the UK. The scheme plans to build across 130 hectares of brownfield sites. Over the next 25 years, the project aims to create a thriving mixed-use community area. In total, the regeneration project hopes to create 22,000 additional new jobs, build 10,000 additional new homes and generate £1.6bn in annual income for the city economy.

Key projects within the scheme include the development of an enterprise zone to deliver and drive growth through R&D and innovation/productivity gains and a new £300m University of Bristol campus which will help to regenerate the surrounding Temple Meads area. The developed campus is expected to serve 35,000 students and around 800 members of staff. This engagement will create a vibrancy within the area and promote more spending within Bristol city centre, bringing a vitality back to the city.

Additionally, to help alleviate the depopulation trend within Bristol, the regeneration project proposes to add an additional 10,000 new homes within the city quarter. These households aim not only to promote in city living, but to help improve the night economy, the overall vibrancy of Bristol, and promote a live and work in Bristol ethos. These homes, alongside the high quality employment space and improved retail and leisure areas, will provide Bristol with an increased feeling of inclusiveness and connectivity between city and home.



Urban Core Regeneration

Gothenburg

Gothenburg - Norra Älvstranden

Sweden's second city, Gothenburg, is located on the west coast of Sweden and is one of the country's industrial hubs. The Norra Älvstranden area of the city was seen as key to the Gothenburg's success due to the area's strong shipbuilding heritage. However, as foreign competition increased and the effects of the oil crisis began to take hold the shipbuilding industry in Norra Älvstranden began to suffer.

As the impacts became more clear the yard was nationalised, highlighting the importance the city council had placed on the site and its workers. Through the nationalisation many jobs were 'saved', with many being redeployed, retrained or just retiring. As the city council gained more control over the site they began to develop a mixed-use area, with office space, education institutions and housing.

One of the crucial factors in the subsequent development of Norra Älvstranden was the decision to locate educational and training facilities in it. Housing development at the site has been a success because particular attention was paid to what the market wanted – stylish housing close to the centre of Gothenburg. As a result of this development the Norra Älvstranden has created and has since provided more jobs than during its 'heyday' as a shipbuilding yard. In addition, the development has provided better housing and overall better environment for residents and workers.

City Centre Regeneration Case Studies

An aerial photograph of the Rotterdam waterfront regeneration project. The image shows a mix of modern high-rise buildings and older, more traditional architecture along the water's edge. The Erasmus Bridge is visible in the background, crossing the river. The water is dark blue, and there are several boats and docks along the shore. The sky is clear and blue.

European case studies: urban regeneration

Kop van Zuid, Rotterdam

Rotterdam in the Netherlands is Europe's largest port. Historically, Kop van Zuid was one of the most important port areas for Rotterdam due to its proximity to the city centre. However, as the port progressively expanded and moved closer to the mouth of the river, the area of Kop van Zuid began to suffer and experienced depopulation as a result.

To reverse the area's depopulation, plans were developed to build social housing. These plans were quickly withdrawn and a bolder vision proposed. This bolder vision involved developing a mixed-use quarter and improving the city's image. Funding and investments focused on infrastructure were made by the Central Government. These infrastructure developments included the Erasmus Bridge, a new metro station and an extension to the current tram system which increased accessibility to Kop van Zuid from other areas.

This infrastructure investment increased Kop van Zuid visibility and convinced the private sector that Kop van Zuid was a safe place to do businesses. Significant private sector investment has flowed as a result, including into a redeveloped waterfront, with striking commercial buildings and high-quality housing which is attracting people to the area.



Growing Belfast: The Impacts

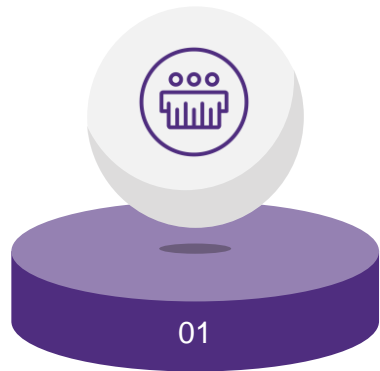
Growing Belfast: The Impacts

The Impacts of achieving the Belfast Agenda target



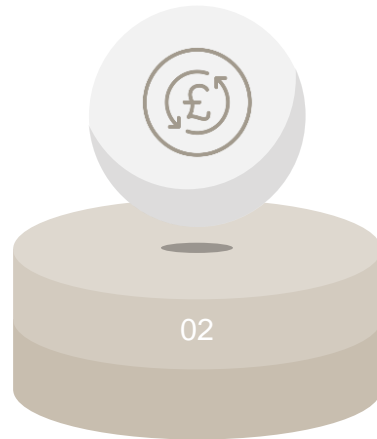
Belfast City Centre

Grant Thornton's analysis suggests that the economic and environmental return for Belfast of achieving population growth is sizeable. 11,500 new homes in Belfast City Centre and the Harbour Estate by 2035 would equate to c.20,200 people, taking the current population of the area from 12,200 to c.32,400 by 2035. This additional population will spend money on goods and services within the city, add to the rates income and contribute, through reduced commuting levels, reduced emissions. The key assumptions underpinning this assessment are presented in an appendix.



Additional Population

20,183 Additional people into the council area, equivalent to Omagh's population



Additional Spend

£165.9m additional spend per annum



Households

11,500 additional households accumulating an additional £16.1m to the total rates bill. That is broadly equivalent to 10% of Belfast's current rates income.



Environmental impacts

4,090m tonnes of CO₂ emissions per vehicle kilometre travelled (VKT) saved – the equivalent of c.205,000 trees per year.



**Making it happen
– Belfast
Chamber's
Response**

Making it happen

Belfast Chamber's response



Simon Hamilton
Chief Executive,
Belfast Chamber

Belfast has been on an unprecedented regeneration journey over the last 20 years with new Grade A offices, numerous hotels and purpose built student accommodation but a sizeable city centre population is the elusive missing ingredient.

'Growing Belfast' sets out the social, economic and environmental upsides of achieving the Belfast Agenda target of constructing 11,500 new homes in our city centre. The benefits in terms of additional spend in local businesses, reducing the city's carbon footprint and assisting in reversing the brain drain ought to be attractive to those in positions of power. The fundamentals for city centre living in Belfast are strong. We have one of the youngest populations in Europe. Belfast is home to blue chip global companies like Allstate, Citi and Aflac. We are home to two world class, research led universities. Demand has been proven by the successful development of thousands of purpose-built student beds in the heart of the city. We have a significant amount of well-located land, perfect for residential development. Other similar cities have successfully grown their city centre populations at astonishing rates. The question, therefore, is why not in Belfast as well.

During the course of our research including conversations with the development community both here in Belfast and in GB, it is clear that Belfast faces some challenges and questions that it absolutely must address if it is to overcome the projected 20,000 shortfall in reaching our city centre population target.

Viability – cities in GB have actively supported city centre living through the rates system, making such developments much more viable financially. Belfast may possess many of the advantages that make it perfect for city centre living, but we are evidently lacking when it comes to the kind of incentives that other cities can

offer to stimulate residential growth. If the advantages of more people, higher spending and less carbon emissions are genuinely valued by decision makers, then will they help seize those benefits by, for example, eliminating rates on new residential developments in the city centre?

Placemaking – Belfast Chamber's Next Gen Belfast survey showed that students and young talent believe that Belfast has work to do in terms of building a more people centred city. The survey found that only 47% thought Belfast was a good city for cycling, just 28% considered it a green and environmentally friendly city whilst 1 in 3 didn't think they had easy access to open and green space. Will Belfast be able to place make and create the kind of city centre that people will want to live in and make their home?

Sustainability – Growing Belfast illustrates just how much of a positive impact that achieving Belfast's city centre population targets can have on the environment. Developing new homes in central Belfast, built to the highest of environmental standards where we can prioritise active travel over car dependency, could reduce so much carbon that it would outstrip the city's current tree planting target 8 times over. As a region, NI will need many new homes over the next number of years to accommodate a growing population. The choice seems like a simple one. Do we want to support much more sustainable city centre living or will we accept suburban sprawl?

Planning – Whilst Belfast's planning process has improved over recent years with several residential developments gaining planning consent, Belfast Chamber believes that there is still significant room for improvement. Discussions with investors and developers have revealed concerns about a differential in the time it takes to receive planning permission in Belfast compared to other cities and this is a cause of concern. A robust planning system is important but so too are prompt decisions and simplified process. If growing our city centre population is a genuine target for Belfast then how can we develop a planning process that complements achieving that aim? Furthermore, how can we use the planning system as a tool to reduce the number of vehicles in our city by, for example, eliminating the need for residential developments in some parts of Belfast city centre to have car parking spaces?

Making it happen

Belfast Chamber's response

Housing Type – Residential growth in other city centres have seen the introduction of new types of developments like build to rent which have not yet arrived in Belfast yet will be key to achieving the kind of growth we aspire to. This housing type is different to what our city has been used to and, therefore, gaining a better understanding of the high quality to which they are built, the communities they can help create and how they help us attract and retain talent will be key. Can Belfast embrace this new housing model and built a new residential district in the city centre that is home to students, young professionals, families and retirees living in the full range of tenure types?

Delivery – Among the many features of successful city centre living initiatives, concerted, coordinated efforts that are true partnerships between the public and private sector stand out as crucial elements. While there isn't a 'once size fits all' approach to regenerating the city centre, it is also clear from looking at how looking at how other places have done it provides a clear message around being focused, good design, balancing heritage with renewal, collaboration and integrating wider economic development and service provision into planning. How will Belfast draw together and deliver these essential elements for city centre renewal?

'Growing Belfast' shows that the scale of the benefits that realising our city centre population targets are sizeable and significant socially, economically and environmentally and ones that Belfast cannot simply cannot turn its back on. The challenge is further accentuated when you compare Belfast to other cities. The table below shows how woeful Belfast's city centre residential growth has been versus cities in Great Britain.

City	City Centre Residential Units Under Construction in 2021
Belfast	0
Birmingham	4,720
Leeds	4,192
Manchester	10,717

Source: Deloitte Regional Crane Survey

Belfast is the UK's 12th largest city and the second biggest on the island but for the last two years, there have been ZERO new residential starts in our city centre. It seems that when it comes to residential development, whilst other cities are booming, we are going backwards.

The inescapable conclusion from this research is that unless and until our city learns lessons from other places and takes drastic action like removing rates on new city centre residential properties to help stimulate the market and grasps issues like planning, placemaking and delivery, we run the risk of not seeing those advantages materialise whilst other competitor cities continue to grow their city centre populations and reap the benefits that we will miss out on.

The ambition to grow Belfast's population is clear. At present, the route to doing so is less obvious.



Appendix: Modelling Assumptions

Appendix: Modelling Assumptions

The key assumptions of the model are;

- 11,500 households are targeted to be built. We have assumed that these households are generally Build to Rent (BTR) apartments. Using analysis from similar projects throughout the UK, 83% of BTR apartments are single/double bed. From this we have assumed based on a weighted average, c.1.8 people per apartment. Translating the number of households into people, by 2035 Belfast City Centre and Harbour Estate will look to add an additional 20,183 people.
- In terms of age breakdown, the Mid Year Estimates by Single Age breakdown are used.
- We have assumed, based upon the proportion of students that currently study in Belfast benchmarked against other cities, that around 27% of 16-64 population are students. We also calculated the location from which people will arrive i.e. UK, Internal or Rest of World with again data being gathered from the NISRA Mid-Year Estimates for Belfast.
- For consumer expenditure, the Family Spend Survey for NI provides estimates for average expenditure per person on essentials and goods not including housing, communication and transport.
- Following consultation with student accommodation providers, average student expenditure estimates have been applied.
- The NAV for a selection of properties in Belfast city centre were assessed to provide a basis for rates income.
- For CO2 emissions, having calculated the level of commuters that will become residents, mode of travel statistics were applied to determine the reduction in vehicle use. DAERA's Carbon Indicators database for road traffic provided average carbon emission statistics. Combining the two gave us the overall level of CO2 emissions per vehicle kilometre travelled into Belfast and thus the overall level saved.



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