

ABERDEEN CITY COUNCIL

COMMITTEE: ESP&I Committee
DATE: 12 November 2013
DIRECTOR: Gordon McIntosh
TITLE OF REPORT: Broadford Works
REPORT NUMBER: EPI/13/215

1. PURPOSE OF REPORT

- 1.1 The purpose of this report is to advise Members with of a request for a contribution from the Council for an option appraisal for the proposed development of the Broadford Works site and a further request for the Council to manage funds as detailed in the proposed Section 75 agreement for the site.

2. RECOMMENDATION(S)

- 2.1 It is recommended that the Council:
- a) Approve a maximum contribution of £15,000 to the Scottish Historic Buildings Trust to prepare an options appraisal, the detail of which will be agreed with Aberdeen City Council's EP&I Service for the Grey Mill site and
 - b) Agree that the Council manage the funds as proposed in the draft section 75 agreement provided that all Council costs in so doing and any other obligations arising therefrom are met by the owners of the Broadford Works site.

3. FINANCIAL IMPLICATIONS

- 3.1 A request has been received from Scottish Historic Buildings Trust for a contribution of £15,000 to undertake an options appraisal for Grey Mill which forms part of the Broadford Works site. Should members agree to the request, the funding for this will be met through virement from the Enterprise, Planning and Infrastructure budget.

4. OTHER IMPLICATIONS

- 4.1 There will be a requirement for officers' time to conclude these agreements.

5. REPORT

- 5.1 The Broadford Works site is a large edge of city centre site, which comprises the largest concentration of Category A listed buildings at risk in Scotland. The site has not been utilised since 2004 and is in need of urgent regeneration. The options appraisal of the Grey Mill, which is the oldest iron-framed mill in Scotland, will hopefully lead not only to its restoration but also a use that is beneficial to the people of Aberdeen.

5.2 Broadford Works Strategy

- 5.2.1 The Prince's Regeneration Trust (PRT) was commissioned in February 2011 by First Construction Ltd (owner of Broadford Works) and Historic Scotland to lead and co-ordinate a Steering Group to propose a coherent and deliverable strategy for the regeneration of the Category "A" listed, Broadford Works site, close to the centre of Aberdeen. It comprises 101 buildings; the principal ones being 5-6 storey textile Mill buildings of largely granite and brick construction which document the history of flax manufacture from the nineteenth century. The site is redundant and the buildings are in a very poor and rapidly deteriorating condition. It is now the largest concentration of Category "A" listed buildings at risk in Scotland, if not the UK.
- 5.2.2 PRT utilised its well established Steering Group process to ensure the involvement and buy in of key stakeholders. The Steering Group, led and co-ordinated by PRT and comprising Ian Suttie (owner), Aberdeen City Council, Historic Scotland, Tenants First Housing Co-operative, Halliday Fraser Munro Architects (owner's agent) and Latterly National Trust for Scotland and the Prince's Foundation for the Built Environment met regularly over a 10 month period from February to November 2011. This report is a distillation of the comprehensive work undertaken by the members of the Group and has been agreed by all parties. A number of supporting documents have been produced. These are referenced in section 7.
- 5.2.3 A previous planning application received planning permission following an appeal in 2010; albeit listed building consent was not granted. The onset of the recession and the subsequent failure of the property market effectively left the scheme as proposed, a virtual impossibility.

5.2.4 The Steering Group identified the key issues that made determining the future of the site a challenge. These included issues with regard to the buildings' deteriorating condition, the lack of viability of the original scheme and the absence of a strategy for this complex site that was capable of attracting or providing confidence to would-be developers. It is also agreed that the site was not viable for disposal as a whole and would not be attractive to a single developer.

5.2.5 The Steering Group agreed from the outset that the Page & Park Conservation Plan (CP) (2000) should be the anchor document to guide considerations and decisions regarding the future of the listed buildings. The CP identified and categorised every listed building on the site by its historic, architectural and townscape importance.

5.2.6 **Process/Rationale for the Strategy:**

Based on an assumption that the site could only be successful if delivered over time and because of the scale and complexity of the site, the Steering Group decided at an early stage that it should agree a rationale to inform the strategy process. In summary, it was agreed that:

- Consideration would be given to which buildings must be retained and prioritised, and which could be demolished, as per their importance and as identified in the Conservation Plan;
- To divide the site into a number of discrete areas (referred to thereafter as 'packages') each would include one or more 'Listed Buildings';
- Funding would be allocated to the 'Listed Buildings' through the Section 75 Agreement towards time-bound, urgent and full repairs;
- The need to devise a robust Section 75 Agreement;
- To consider how the 'burdens' (e.g. infrastructure) would be dealt with for each 'package', including the Grey Mill (43; Area 6), the most significant building on the site;
- To consider the design of any proposed new build development in close proximity to the listed building, including attention to public spaces, setting, use of materials, proportion etc; and,
- To identify possible early phases.

5.2.7 Subsequently respective applications for Planning Permission (120048) and Listed Building Consent (120049) were submitted in January 2012. Following the refusal of the planning application on 19 July 2012, an appeal to the Scottish Ministers was submitted. The Reporter confirmed their intention to grant planning permission on 13 May 2013, subject to conditions and the satisfactory conclusion of a legal planning agreement.

5.3 Involvement of Scottish Historic Buildings Trust

- 5.3.1 A request has been made by Scottish Historic Buildings Trust (SHBT) for matched funding to undertake an options appraisal. The amount being requested from the Council is £15,000 which is the final piece of funding being sought. Other funding sources are the Architectural Heritage Fund (£10,000), Historic Scotland (£7,500), the Aberdeen City Heritage Trust (£7,500) and First Construction Limited (£7,500) the owner of the site. If approval is granted by the Council SHBT will be able to start the Options Appraisal exercise.
- 5.3.2 SHBT is a charitable organisation dedicated to the conservation and promotion of Scotland's architectural heritage. They operate as a Building Preservation Trust and tackle projects throughout Scotland by identifying, raising funds, restoring and delivering lively, viable and sustainable new uses for historic buildings whose survival is threatened by disuse, dereliction or demolition.
- 5.3.3 SHBT was asked to step in and take forward the Grey Mill at the request of the Steering Group (all as set out in the Strategy and attached as Appendix 1 to this report). The first step in being able to confirm if there is a viable project is to undertake an Options Appraisal and it is this that SHBT are asking the Council to help fund.
- 5.3.4 The options appraisal covers the costs of the work required to undertake which includes a fully condition survey of the building, exploration of potential end uses and users, design and estimated costs for potential uses, valuations, community consultation and the production of a final report.
- 5.3.5 The benefit to the Council in providing this funding is that SHBT can undertake the options appraisal and find a viable and sustainable use for the most important building on the site which will in time lead to the development of a capital project to secure all capital funding.
- 5.3.6 The aim is to have a fully restored and viable building which is regarded as the most important building on the site. By undertaking this work, SHBT will be acting as Pioneer developer, giving confidence to other developers that the future of the most difficult and complicated building is secure and should encourage the regeneration of the site as a whole.

5.4 Section 75 Agreement

- 5.4.1 The Council as Planning Authority is entitled in terms of Section 75 of the Town and Country Planning (Scotland) Act 1997 to enter into an agreement with any person interested in the land in its district for the purpose of restricting or regulating the development or use of the land.

- 5.4.2 The developer has requested that the Council administer the funds that are paid in terms of this agreement and to receive and make payments as instructed.
- 5.4.3 A due process will be formally agreed with the relevant officers and third parties that ensures the Council provides transparency and adopts an “open book” approach in undertaking this service.
- 5.4.4 Advice has been taken from the State Aid unit in respect of the Council operating this holding account for the management of funds. As the Council has no vested interest in the development other than the proposed development assisting in the regeneration of the City, then the account should be operated at no cost to the Council and indeed a charge made. Therefore, the Head of Legal and Democratic Services advises that mechanisms should be put in place in the Section 75 Agreement to ensure that the Council’s involvement is cost neutral.

6 IMPACT

- 6.1 The development of this site will meet a number of economic development goals in relation to developing the inner city, provision of housing and also the regeneration of a site that has significant historic importance.

7 BACKGROUND PAPERS

- Report by the Prince’s Regeneration Trust setting out the issues and agreed strategy of the Broadford Works Steering Group;
- Draft Section 75 Agreement.

8 REPORT AUTHORS DETAILS

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