

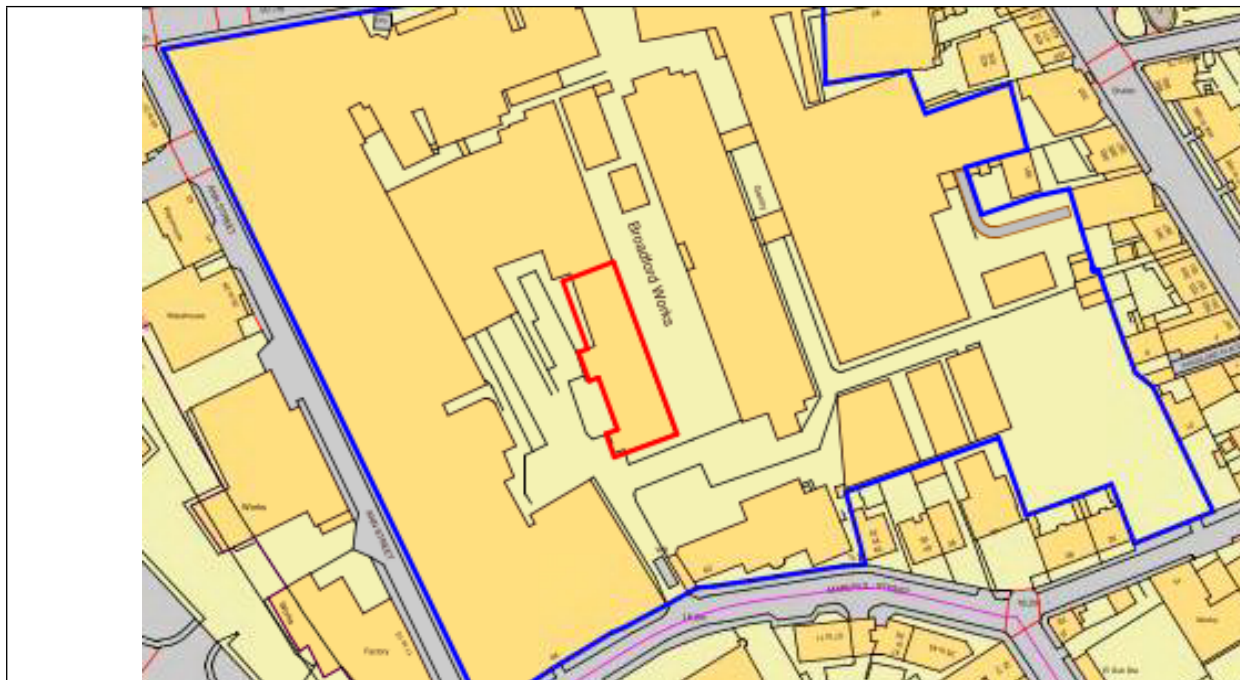


## Planning Development Management Committee

Report by Development Management Manager

**Committee Date: 20 September 2018**

<b>Site Address:</b>	Grey Mill Building, Broadford Works, Aberdeen,
<b>Application Description:</b>	Substantial demolition of Grey Mill building (including: South Mill, Old Mill and stair tower); temporary stabilisation of remaining southern gable, (North Mill and New Mill also to be retained)
<b>Application Ref:</b>	180535/LBC
<b>Application Type</b>	Listed Building Consent
<b>Application Date:</b>	3 April 2018
<b>Applicant:</b>	Ferness Investment Holdings LTD
<b>Ward:</b>	George Street/Harbour
<b>Community Council</b>	George Street
<b>Case Officer:</b>	Lucy Greene



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### RECOMMENDATION

**Approve conditionally**

## APPLICATION BACKGROUND

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### Site Description

The Grey Mill sits centrally within the wider Broadford Works site, which is covered by a single Category A listing. The Broadford Works site lies to the north edge of the City Centre and is bounded by Maberly Street, Ann Street, Hutcheon Street and George Street.

Broadford Works was in continuous operation as a textile manufacturing site since 1808, until 2004. The buildings within the site were constructed over the course of almost two hundred years, and “represent an important historical evolution of building form and construction paralleling with the development of textile manufacturing processes” (Conservation Plan for Broadford Works, Page and Park, June 2000).

The application premises are known as ‘Grey Mill South’, however, there several elements:

**Old Mill** – the oldest building at Broadford and the oldest iron framed structure in Scotland. This is thought to be the fourth oldest in the world. The Old Mill is a fireproof spinning mill, completed in 1808, by Fenton Wood & Murray. It is four storeys in height, now with flat roof and with granite mass masonry walls. The slender, tapering, cruciform cast iron columns support cast iron beams, which in turn support shallow brick arches (jack arches), that carry the floors. The design of the frame was correlated with the machinery inside and outside, with building and equipment being ‘one’. It was built for the steam driven spinning and preparation of flax. The Page and Park Conservation Plan describes the Old Mill as “of prime importance and whilst now embedded between South Mill and North Mill, its significance and sensitivity should not be under-estimated in considering its potential for re-use.”

**South Mill** – dating from c.1820 and built onto the Old Mill, the South Mill is the third oldest fireproof spinning mill in Scotland. This is four storeys in height with a pitched slated roof that contained rooflights (the glazing has been missing for some time). The south gable of the South Mill terminates in a plinth, on which previously stood a bellcote, this granite gable containing window openings, is visually prominent upon entering Broadford Works via the main gates on Maberly Street. Around 1920 a red brick stair was added to the south east corner of the building. The tower is surmounted by ball finials and external metal fire escape stairs.

**Stair and toilet tower** – this is similar in appearance and age to the stair tower noted above. The tower extends across the full width and was added in between the Old Mill and South Mill. It is located where the Engine House and Boiler House to the Old Mill were previously located. Elevated in red brick with stone dressings and ball finials to the east elevation and granite to the west elevation, the east side of the tower contains the entrance.

### Relevant Planning History

**180537/DPP** – A current undetermined planning application by the same applicant for the erection of a replacement building to contain 36 flats on the footprint of the Old Grey Mill/Grey Mill South that is proposed for demolition by this application. The proposed structure would be built off the retained south gable and would form a separate building of similar height to the gable. A pend would be formed between the proposed replacement building and the retained Grey Mill North.

The following two applications have been approved this month for the site-wide redevelopment and refurbishment of all other buildings on the wider Broadford Works site.

**180530/MSC** - Matters specified in conditions (1) Phasing, (2) Siting, Design, (3) Landscaping, (4) Townscape features, (7) Parking - cycle and motorcycle, (9) Transportation infrastructure, (10) Local road improvement, (11) Junctions, (13) Traffic management, (14) Drainage, (15) Air quality, (16) Noise assessment, (18) Contaminated Land, (20) Refuse/recycling, (21) Ventilation and filtration, (22) Heating network, (23) Zero and low carbon and (24) Archaeological work, relating to Planning Permission in Principle 160150 for residential led mixed use development.

The building work relates to the conversion of all existing buildings (except the Grey Mill) and the erection of eight significant structures, including a two storey roof extension to the 'Red Mill', structure behind a retained façade on Hutcheon Street, large extensions and high quality public realm works.

**180531/LBC** - Various alterations and restoration works.

This listed building consent application includes the retention and conversion of all the buildings, except the Grey Mill, that remain on the site.

**Planning Application in Principle 160150** - Residential led (c.890 units) mixed use development, incorporating conversion of Listed Buildings. Named uses include apartments for rent; student residential accommodation; leisure; creche/nursery; restaurant; cafe and bars; office; retail; concierge facilities; reuse of "Grey Mill" building as studio workshop, live/work and gallery space; public realm; car parking; and ancillary works. **Approved conditionally with legal agreement 29.07.2016**

In 2000 the Council commissioned the Conservation Plan (the 'Page and Park Conservation Plan') and Development Study for the site. The development study proposed retaining and refurbishing as many of the existing buildings as possible for reuse, whilst using unobtrusive, peripheral parking which did not intrude upon the sensitive spaces at the core of the site. Any planning application for development of the site was therefore expected to be a conservation-led scheme conforming to the general principles contained in the development study and subsequent design brief.

In 2004, an application for planning permission and listed building consent (ref A4/1262) for conversion of the redundant mill buildings to provide 221 flats, the erection of 177 new build flats, and the provision within existing buildings of retail floor space (2450 sq.m.), a public house (530 sq.m.), a restaurant (250 sq.m.), offices (900 sq.m.) and 501 car parking spaces, was submitted. In August 2007, a report was presented to the Planning Committee with a recommendation of approval, but the Committee disagreed with the recommendation and refused the application on grounds relating to :- the lack of affordable housing; the scale of development in relation to the approved development brief; and, the inclusion of a large scale retail element which could be detrimental to existing outlets on George Street.

That decision was appealed and in February 2010 the Reporter (after issuing a letter of intent in June 2008) granted planning permission, subject to conditions and a legal agreement, but refused listed building consent. The Reporter concluded that the exceptional development costs attached to the site, especially associated to decontamination and cross funding required to secure the

preservation of the listed buildings, would leave insufficient residual value to provide the 10% affordable housing required through policy. He also considered that the impact of the new build elements of the proposal, including the proposed 10-storey building at the corner of Hutcheon Street and Ann Street, would be unlikely to result in a significant adverse impact on residential amenity or on Hutcheon Street. In addition he considered that there was no basis for refusal on the grounds of retail impact, particularly as the Council had previously approved the design brief which advocated a mixed used development, including retail uses. The parallel appeal in respect of Listed Building Consent was dismissed on the grounds that the application as submitted and subsequently amended, lacked significant amounts of detail and therefore could not satisfy the Reporter that the proposal would preserve the listed buildings, their setting or any features of special architectural or historic interest.

In 2012, a revised proposal (Ref 120048) for detailed planning permission for a “proposed urban village (mixed development)” including the: restoration and conversion of Listed Buildings, demolition of various other buildings to provide: 517 flats (175 via conversions); 4525m<sup>2</sup> of non-residential uses (c. 1975m<sup>2</sup> of ground floor retail; 1900m<sup>2</sup> of storage; a 450m<sup>2</sup> nursery and a 200m<sup>2</sup> restaurant); 569 surface and basement car parking spaces and associated works”. The changes to the previous Reporter approved scheme can be summarised as follows:

- The retention and restoration of 11 mill buildings, rather than 13;
- The submission of a Listed Building application to cover the demolition of all other buildings;
- The creation of 7 individual development packages (see attached plan), 5 of which were a combination of listed building and new build opportunity;
- The detailed design of all aspects of the proposed development, from services through to car parking, in such a way that the individual packages could come forward in any order, even all at once; and
- An additional 119 mainly new-build dwellings taking the total dwellings to 517, with 569 car parking spaces many of which were to be in basement parking.

That application was refused against recommendation by the Development Management Sub-Committee in August 2012, and again that decision was appealed. In May 2013 the Scottish Ministers issued a letter of intention stating that they intended to approve the application, subject to a legal agreement being agreed between the Council and the developer. This agreement was concluded and planning permission granted on 30 September 2014.

A parallel application for Listed Building Consent for the demolition of listed buildings (No's 8, 18, 19, 20, 21, 22, 23, 25, 26a, 27, 28, 29, 30, 32a, 47, 51, 52, 52a, 55, 87, 88, 89, 90, 90a, 91, 92, 93, 94, 95, 97, 100, 101) was also approved by Scottish Ministers on 31 January 2015. The demolition of those buildings has been carried out.

## **APPLICATION DESCRIPTION**

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### **Description of Proposal**

The proposal is for the demolition of the Old Mill, dating from 1808, the stair and toilet towers, dating from the 1920s and the South Mill, dating from 1820, with the exception of the south gable wall. The gable would be retained and propped for later incorporation into the proposed replacement building that is the subject of a separate undetermined application, as noted above.

## Supporting Documents

All drawings and supporting documents listed below can be viewed on the Council's website at:

<https://publicaccess.aberdeencity.gov.uk/online-applications/applicationDetails.do?activeTab=documents&keyVal=P6M967BZ01U00>.

The following documents have been submitted in support of the application –

Report from the District Valuer, dated 7 September 2018  
Response to District Valuer, by Quod, dated 10 September 2018  
Investigation into the Condition of Old Mill and South Mill by Scottish Historic Buildings Trust, February 2018  
Grey Mill Addendum Structural investigation Report Revision 1, Cameron+Ross, March 2018  
Grey Mill Structural Investigation Report, Cameron+Ross, March 2018  
Demolition Method Statement, Beattie Demolitions, March 2018  
Demolition Proposals Report, Cameron+Ross, March 2018  
Library of Defects and Repairs Strategies  
Planning Statement, Ryden, March 2018  
Grey Mill Structural Condition Review, Arup, August 2016  
Old Mill and South Mill Heritage Statement: Case for Listed Building Consent, Hurd Rolland, March 2018  
Appendices 1 – 46 – Background information.

## Reason for Referral to Committee

The application has been referred to the Planning Development Management Committee because there are fourteen letters of objection, which means that the application falls outwith the Scheme of Delegation.

## CONSULTATIONS

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**Historic Environment Scotland** – The full response from HES is included below in Appendix 1. HES describe the protracted period of site, site visits and investigations and discussions with the Council, to try to find a viable solution that avoids demolition. It is noted that these included engaging both the HES engineer, and a specialist conservation engineer to investigate potential repair schemes and the estimated cost. There is now significantly more information on the structural condition and viability of any regeneration, than was previously available. This has revealed a significantly high cost of repair that HES state would be unlikely to offset by any possible grant from themselves.

HES summarise the applicant's submission in respect of the HESPS 'tests for demolition':

Test a. that the building is not of special interest.

- Despite its condition, the buildings retain their special interest and the case is not presented on this test.

Test b. The building is incapable of repair

- Noted are the submissions, including extensive structural condition reports. These highlight the seriously poor condition of the buildings and unstable ground.
- There are differing views from different engineers, however, it is concluded by HES that, at this point, a case for demolition solely under test b. has not been conclusively demonstrated.

Test c. the demolition of the building is essential to delivering significant benefits to economic growth or the wider community

- HES comments that there is no evidence that the benefits of the scheme could not be achieved through a proposal that includes the retention and conversion of the Old Grey Mill.
- It is noted, however, that the disproportionate costs of repairing the Grey Mill could cause the entire project to be abandoned, and HES advises that if the Council finds that the overall scheme delivers substantial economic or community benefits (on at least a regional level), and the high repair costs threatens those, then there would be a strong argument to allow demolition.

Test d. the repair of the building is not economically viable and that it has been marketed at a price reflecting its location and condition to potential restoring purchasers for a reasonable period.

- Notes that the applicant has assessed the costs of four options including the retention and repair of the Old Mill, as well as the scheme as proposed, ie the demolition of the Old Mill, with retention of the south gable, and erection of a new replacement building.
- It is acknowledged that the applicants appear to have set out a robust case showing that repair and retention is unviable.
- It is suggested the Council may wish to satisfy itself on the robustness of the financial assessment of the case, notes that the Council is seeking independent advice and, HES also notes that the purchase price of the site would be of interest.

In conclusion, HES notes several points:

- Previous planning approvals and efforts over the years to find a restoring purchaser for the whole Broadford Works complex.
- The currently presented opportunity to regenerate the site under a single cohesive scheme.
- Although not conclusively proved, there is a strong case under test b. that repairs would be at a very considerable cost.
- That public benefits could be lost if the costs of repair jeopardise the scheme for the whole site.
- The following questions are identified as being key:
  1. Whether the costs of repair (and additional costs of reusing the building) are possible within the overall scheme, or is the 'conservation deficit' too much for anyone to bridge. (test d)
  2. Whether the high costs of repair would threaten the substantial benefits that the overall scheme could bring. (test c)

- Setting aside the discussion over retention of the building, if this is not possible and only part of it may be retained (proposed to be the south gable, under the current application and planning application Ref. 180537/DPP), HES requests clarification over whether more than just the gable could be retained – whether there is scope to retain and prop the end section of the South Mill, retaining the early internal structure for a few bays is considered worthwhile.

## **REPRESENTATIONS**

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Fourteen letters of objection were received, including from the Architectural Heritage Society of Scotland, Aberdeen Civic Society and The Scottish Civic Trust. These made the following points:

1. The Grey Mill has been neglected, which is shameful. Repairs should have been carried out in the past. It is not acceptable that owners allow buildings to deteriorate and be vandalised, then claim that repair is unviable.
2. The building is an important part of Aberdeen's history, with the two structures (Old Mill and South Mill) making up the oldest iron-framed mills in Scotland and should not be destroyed.
3. With such great engineering history in Aberdeen, it must be possible to find a way to both solve the engineering problem and to save and find a re-use for the building.
4. That previous approved planning applications have always included the Grey Mill for retention and it is extremely concerning to see the reversal of the approach.
5. When the developer took on the A listed site, it was known that the buildings are at risk, and expensive to repair. There should therefore be a willingness to conserve them.
6. The costs of repair based on 'visual inspection' should not be taken at face value.
7. That the proposal is based on profit, not conservation. It has already been agreed that the developer does not have to contribute towards affordable housing, and heritage should not be similarly sacrificed.
8. Retention of a single façade is queried as not enough and inappropriate, due to others being visible.

## **MATERIAL CONSIDERATIONS**

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### **Legislative Requirements**

Sections 25 and 37(2) of the Town and Country Planning (Scotland) Act 1997 require that where, in making any determination under the planning acts, regard is to be had to the provisions of the Development Plan and that determination shall be made in accordance with the plan, so far as material to the application unless material considerations indicate otherwise.

In addition, where a proposal affects a listed building, Sections 14(2) and 59(1) of the Planning (Listed Buildings and Conservation Areas) (Scotland) Act 1997 places a duty on planning authorities in determining an application for Listed Building Consent to have special regard to the desirability of preserving the building or its setting and any features of special architectural or historic interest which it possesses. This is the primary consideration in the determination of applications for Listed Building Consent.

## **National Planning Policy and Guidance**

Scottish Planning Policy (SPP)

Planning delivery advice: build to rent (September 2017) – builds on advice in the SPP.

Historic Environment Scotland Policy Statement 2016 (HESPS)

Managing Change in the Historic Environment: Demolition

## **Aberdeen Local Development Plan (2017)**

Policy D4 – Historic Environment

Policy D5 – Our Granite Heritage

## **Supplementary Guidance and Technical Advice Notes**

Broadford Works Design Brief

## **Other Material Considerations**

Page and Park Conservation Plan for Broadford Works

## **EVALUATION**

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### **Principle of Development**

The matters for consideration are:

1. Does the proposed demolition pass any of the tests set out within HESPS, that would justify demolition?
2. If demolition is justified in principle, could any additional fabric be retained?
3. If demolition is justified how might it be ensured that any demolition does result in the restoration and regeneration of the site as a whole?
4. Are there any other material considerations, including those raised by objectors?

### The HESPS Tests

HESPS contains national policy relating to the determination of the application for the demolition of listed buildings. Paragraph 3.38 states the presumption against demolition or other works that adversely affect the special interests of a listed building or its setting.

The buildings that are the subject of this application consist of the Old Mill (1808), the oldest iron framed fireproof mill in Scotland, the South Mill (1820) also one of the very early iron framed fireproof mills, and two red brick stair and toilet towers that were erected in the 1920s. One of these was erected between the Old and South Mills and it is suspected that the weight of this on the foundations, which bear onto peat, has pulled down the structures either side, causing some of the damage that is evident today. The rooflights were also broken out at some point in the last few years, and water has entered the buildings, causing the washing out of mortar in the brick jack arches, and the failure of large areas of plaster on the ceilings. Notwithstanding the derelict



condition of the buildings, their special interest remains. The Page and Park Conservation Plan assesses the Old Mill as “of prime importance and while now embedded between South Mill and North Mill, its significance and sensitivity should not be under-estimated in considering its potential for re-use”. Its significance is assessed as historically very important, architecturally very important and in terms of townscape, very important. The special interest lies in the fact that these were some of the very first buildings of their type. The Old Mill was specifically built as a mill powered by a steam engine, which drove machinery that was fixed into the various floors of the building. The form of the floors results in the building being fireproof in that there was no timber used in the construction. Slim, tapered, cast iron columns support beams on which were built relatively shallow brick ‘jack’ arches that span between the beams, supporting the floors above, which are of stone slabs.

Paragraph 3.42 of HESPS outlines the matters that will need to be evidenced by an applicant, to justify an application for demolition, at least one of the Tests needs to be met for the demolition to be justified:

Test a. that the building is not of special interest:

The applicant does not present a case under Test a. It is clear that the buildings retain their special interest despite the state of deterioration so demolition is not justified under this particular Test.

Test b. that the building is incapable of repair:

The applicant’s submissions present a case for demolition under this Test. A number of engineers have advised on the building, and much information is included in the submissions. These include a report by Cameron & Ross, with peer review, by Arup. The engineers agree that in principle, some form of ground stabilisation and piling would be necessary, prior to structural repairs to the superstructure of the building. The applicant’s engineer reports that the buildings are too fragile and unsafe to prop and that paying due regard to health and safety considerations means that the works are not possible. A further consideration is the restricted floor to ceiling height together with the proximity of columns, all of which combine to present great difficulty in creating a safe working environment, in the form of a ‘crash deck’, including one in which piling machinery could manoeuvre. The engineers disagree over the feasibility of this, although all agree that it would be awkward and expensive. The Aberdeen City Heritage Trust, together with the City Council commissioned an independent study by the Scottish Historic Buildings Trust, the engineering advice was provided by an experienced Conservation Accredited Structural Engineer, David Narro. This work concluded that it would be possible to repair the buildings, although at great cost. The applicant’s engineer maintains the view that the propping of the building is too dangerous, however, he has submitted a theoretical propping proposal that has been costed by a quantity surveyor.

It is acknowledged that there is a difference of opinion between the various engineers. In view of the conclusion reached by the Conservation Accredited Engineer, David Narro, that the works are achievable with mini piling and temporary support of the building, it is considered that the case is not made under Test b.

It is noted, however, that David Narro reports the works to be complex, and expensive. The indications are that the building continues to deteriorate. At present it is repairable at significant

cost, however, all the engineers acknowledge that there is a finite period of time until the buildings become beyond repair.

Test c. the demolition of the building is essential to delivering significant benefits to economic growth or the wider community

The application under consideration is one of four applications that were submitted together. The implementation of the other applications would result in the regeneration of the entire Broadford Works site, including restoration of all buildings remaining on site – the Grey Mill North, the iconic Red Mill, the buildings along Maberly Street and Ann Street, the lodge, a further mill within the site, and the façade retention scheme for red brick façade that remains next to Bavaria Auto Works garage on Hutcheon Street, as well as a full façade retention of the ‘Winding and Warping’ building close to Hutcheon Street. The two chimneys and the former hose drying tower are also proposed to be retained. This is as part of a proposal to develop a mixed use urban village, in line with the Planning Permission in Principle that was granted in 2016, and providing 425 flats and 430 student bedrooms, office space, shops and cafes. The proposal would also see high quality landscaping with the reuse of granite setts, cast iron lampposts and structured tree planning with seating areas and amenity spaces for residents. The site would be opened up to public access between Maberly Street and Hutcheon Street and would form a new and unique place in the city. Given the history of the site, its place in the City’s collective memory and the fact that it is a nationally significant collection of Category A listed buildings, the public benefits of the proposal are considered to be on the regional level.

The demolition of the Old and South Grey Mills is proposed, with a replacement building on a similar footprint, built onto the retained gable, and leaving an open pend between the new build and the Grey Mill North.

The applicant has submitted information about the development finances to support the assertion that the proposals for the Broadford Works site as a whole would be threatened by the substantial cost and complexity of retention and refurbishment of the Old and South Grey Mills. The applicant presents the case that they are beyond repair, but also argues that even if repair is possible (as asserted by others) both the costs of repair and financial return on a re-use, given the configuration of the floorspace, with the restricted height and density of columns would result in a scheme across the whole site that is unviable.

The discussion on this is described in more detail under Test d. below, however, it is considered by the planning authority in this instance that if Test d. is found to be proven, ie, that repair is not economically viable, then Test c. is also proven, that the demolition is necessary in order to realise the public benefits of the development providing significant benefit to the community.

Test d. the repair of the building is not economically viable and that it has been marketed at a price reflecting its location and condition to potential restoring purchasers for a reasonable period.

In order to fully and independently assess the economic viability of the proposal, the District Valuer (DV) was engaged by the Council to provide an independent view on the development finances and whether the repair of the Old and South Grey Mills, as part of the site-wide regeneration, would ‘stack up’. The District Valuer’s report is available [online](#) and confirms that the site-wide proposal including retention and re-use of the Grey Mill, would result in a multi-million pound

deficit. The assessment that was carried out involved having access to the applicant's financial modelling based on industry standards. The site has been on the market for a prolonged period of time since the closure of Richards Works and, as noted in the planning history, and by HES, there have been significant and unsuccessful previous efforts to facilitate a restoration scheme coming forward. At this point, the applicant has an approved scheme to regenerate the entire site, and has engaged in extensive discussions, as well as having submitted applications for the detailed works. This, together with the DV having corroborated the conclusion on viability, would appear to provide a basis on which to conclude that Test d. has been met.

Looking in further detail at the DV's report on economic viability, the DV further notes that: the site-wide proposal, including demolition of the Grey Mill and the erection of replacement building, would also result in a significant deficit; and, further queries the price paid for the site given that deficit. By way of explanation on these points, the applicant's agent, Quod, has provided commentary that is also available [online](#). It is stated that the proposal provides the opportunity to deliver a substantial investment asset, whereby a significant amount of capital would be employed in the Aberdeen market. The applicant intends to retain ownership of the site rather than sell the site as predicated in the viability assessment that has been carried out and is, therefore, interested in a long term rather immediate short-term yield from the site, as a priority. In layman's terms this means that the site owner / investors will receive rental income from the site in the long term, and the size of the site and development increases the attractiveness of this opportunity. This sort of long term return on investment is not reflected in the standard viability assessment that has been carried out which is predicated on value at a fixed point in time.

Taking the foregoing into account it is stated that, whilst the yield is lower than would usually be targeted, it does not represent a deficit when assessed on this long term commitment and could be delivered on this basis.

Both Quod, and the Council's own surveyors confirm that the methodology for assessing site viability used to produce the financial information assessed by the DV, is 'industry standard'. The basis for this method, is that the development is sold at completion, rather than retained as a long-term investment. Using this standard methodology for assessment of viability means that it is a workable, consistent and fair approach, whereby account cannot be taken of different applicant's investment proposals. The planning authority accepts advice from property specialists that this methodology and the conclusions reached are reasonable and representative of the financial position.

In terms of the price paid for the site, Quod confirms that the contract to purchase was entered into in August 2015 and payment made in 2017. Since 2015 there have been changes in the market that have been unhelpful, the scheme has been further developed and the proposals now put forward are deliverable.

In conclusion, determination of the application needs to be made at this point in time with the information before the planning authority. The Old and South Grey Mills are considered repairable, but at great expense and re-use options are limited by the type of structure, which further affects viability. The significance of the buildings is in their construction, rather than external appearance, therefore façade retention is not a worthwhile approach. Nevertheless, the question of possible retention of further fabric is considered below. In principle, however, it is apparent that in order to realise the considerable community wide benefits of the site wide proposal, it is unfortunately the

case that an attempted repair of the Old Grey Mill and Grey Mill South would render the proposal unviable. It is therefore considered that both Test c and d are met.

### Retention of fabric

The issue was raised by HES, of retention of more fabric than the proposed gable of the South Mill. The architects worked up options for this, based on retaining the gable and one bay, or the gable plus two bays. Issues arose because floor levels between the proposed new build scheme and the existing building, do not tie in, there is a difference of between 725mm and 1030mm, depending on the floor level in question – this is because floor to ceiling heights in the new build scheme differ from those in the existing building. It is also noted that the end bay / section of the Grey Mill South looks to have been a later addition, albeit contemporaneous with the original. The structure differs between the end bay and the other bays, leading to a further inconsistency.

Elevations were prepared, showing the implications of retaining further fabric. These show the retention of one bay, with the new build scheme as proposed under application Ref. 180537/DPP. The retention of the end bay on the eastern side of the building would mean that the retained fabric would be the red brick tower, which is itself a later addition. Whilst the red brick tower has townscape value as it ties in with red brick towers on the Grey Mill North and building 09/10, what is being sought by HES is the retention of the fabric of the Grey Mill South.

On balance, it is concluded that the retention of fabric does not achieve a great deal, partly because the end section of the Grey Mill South is a later addition, and the red brick tower an even later addition (1920s), and also because architecturally it does not work well with the proposed new build, nor is it apparent how a new built scheme would be differently designed to both provide floorspace and to tie in new and old fabric. The gable retention is considered to be a neater approach whereby the distinction between old and new is very clearly defined.

### Site-wide development

As noted above, it is considered that Tests c. and d. have been met. This would mean that demolition could be justified by the fact that the deliverability of the site-wide scheme is linked to allowing the removal of the Old Grey Mill. It is therefore necessary to consider to what extent there can be surety that the site-wide scheme would be delivered and that a worst-case scenario could not occur, whereby the Old Grey Mill and Grey Mill South were demolished and development did not take place.

In order to go some way towards ensuring that the demolition would lead to regeneration of the listed structures, it is proposed to attach a condition should consent be granted. The condition would ensure

- Firstly that demolition could not take place until contracts are signed for the works to at least the two phases of the wider Broadford Works site that contain the most significant buildings; and,
- Secondly that a construction programme should be submitted that involves at least six months of works to take place within those phases prior to demolition taking place.

The submission of the construction programme (prior to any development) would allow the planning authority to agree the works that would take place before demolition was permitted. It is considered that this suggested condition achieves the reassurance described above, whilst

affording a degree of flexibility to be agreed with the planning authority should valid construction programme issues emerge. It is acknowledged in this that the site is complex and there will be a higher than usual level of uncertainty due to the nature of the buildings and sheer size of site.

### Material Considerations

The flats are now all proposed to be 'build to rent' (BTR), rather than a mix of flats for sale as was proposed under the PPIP. Although this is not something normally controlled under planning, and is not in this instance, it is noted that the Scottish Government wishes to encourage a growing BTR sector, with the benefits being seen as the ability to provide housing quickly, facilitating mobility of labour and economic benefits for employees seeking to expand their workforce. BTR flats are also noted in the SG's Planning Delivery Advice, as a possible catalyst for larger development sites, where they quickly establish a sense of place. In this instance, it is to be welcomed that the current move to BTR is providing an opportunity for the site-wide development, with an approach to financial returns that appears to facilitating development of the site as a whole. It is the regeneration of the listed site, that is considered justification for the demolition that is the subject of this application.

### Policy D4 – Historic Environment and D5 – Our Granite Heritage

These policies seek to preserve historic and listed buildings, whilst policy D4, refers to the precursor of HESPS (SHEP), SPP and supplementary guidance. In this instance the Managing Change Guidance on Demolition is relevant.

In relation to demolition of listed buildings, HESPS contains 'tests' that are the same as those that were included in SHEP. HESPS is therefore the relevant national policy in terms of compliance with the above policies.

As outlined above, a case has been made for demolition, in terms tests c and d in HESPS and the proposal therefore complies with the first part of Policy D4.

Policy D4 also refers to archaeology and states that where preservation of the site in situ is not possible, then arrangements must be made for the full recording of the site. The Page and Park Conservation Plan includes a list of 'Essential Actions' at section 7.0. Both of these would be covered by conditions requiring: recording of the buildings to be removed, archaeological investigation of the area of the site covered by this application; recording of the features and findings of the above, publication of the records above.

Policy D5 relates to retention of granite buildings. Whilst for the reasons outlined above, it is considered that demolition is justified, it is proposed to attach a condition requiring submission of a scheme for the retention and re-use of granite and other materials from the Grey Mills.

### Matters Raised in Objections

1. *The Grey Mill has been neglected, which is shameful. Repairs should have been carried out in the past. It is not acceptable that owners allow buildings to deteriorate and be vandalised, then claim that repair is unviable.*

It is acknowledged that the Grey Mill has become derelict over the years since the Works closed. During this time there were efforts made to find a restoring purchaser, including planning permissions approved and schemes worked up to show how the site could potentially be packaged up for different developers. It is a very large site, which is difficult to develop other than as a whole. It is extremely unfortunate that buildings have deteriorated to the extent that exists. The current applicant has owned the site since 2017 and has been in discussions with the planning authority prior to this time. At this point, a decision is required to be made on this application, on the merits of the proposal that is before us.

- 2. The building is an important part of Aberdeen's history, with the two structures (Old Mill and South Mill) making up the oldest iron-framed mills in Scotland and should not be destroyed.*

The presumption is in favour of retention of the buildings. The entire site is Category A listed, which indicates that it is of national importance. Of the buildings on the site, the Old Mill is the most historically significant. Other buildings on the site trace the development of advances in the techniques of industrial building, so that the site as a whole tells this story. There has been rigorous examination of the submissions made by the applicant, including taking advice from an independently engaged Conservation Accredited Structural Engineer, and from the District Valuer. To refuse permission for the demolition would bring into question the viability of the entire scheme, which involves the restoration of all the other buildings existing on the site. These are significant Category A listed buildings in their own right, in terms of both historic and architectural interest, as well as the site as a whole being a unique part of the history of the City.

- 3. With such great engineering history in Aberdeen, it must be possible to find a way to both solve the engineering problem and to save and find a re-use for the building.*

As noted above, in respect of test b. there is believed to be an engineering solution that would allow repair of the Grey Mill in its current state. It is acknowledged that this is extremely expensive, such that it is beyond the scope of grant aid, as confirmed in the HES consultation response. However, the proposal would not be approved based on Test b., that it is beyond repair.

- 4. That previous approved planning applications have always included the Grey Mill for retention and it is extremely concerning to see the reversal of the approach.*

It is the case that the Planning Permission in Principle included the retention of the Grey Mill. The applicant's working up of a scheme for the site has identified the significant cost of repairing the building, the income that would be generated by the building when repaired, and the cross funding that could be provided by the development of the site as a whole. A financial assessment was submitted that shows an overall scheme including the repair and reuse of the Grey Mill, to be in significant deficit. The assessment shows the overall scheme including removal of the Old / South Grey Mills to be also in significant deficit, however, the difference between the two is very significant. These assessments have been considered independently by the District Valuer, who also acknowledges the unviability. As noted above, the applicant intends to retain the site and the long term income stream renders the site viable when

considered as that particular form of investment. However, as confirmed in the Quod statement dated 11 September 2018, this is at the lower end of viability. For this reason, as noted above, the demolition is considered to be justified under HESPS Tests c. and d.

5. *When the developer took on the A listed site, it was known that the buildings are at risk, and expensive to repair. There should therefore be a willingness to conserve them.*

This point is covered by much of what is said above. The combination of the market having changed, and further structural investigation having been carried out has contributed to the current application.

6. *The costs of repair based on 'visual inspection' should not be taken at face value.*

As noted above, the engineers' reports have not been taken at face value and have been fully interrogated.

7. *That the proposal is based on profit, not conservation. It has already been agreed that the developer does not have to contribute towards affordable housing, and heritage should not be similarly sacrificed.*

The applicant would not be investing in the site at all if there was not some yield from the scheme. This is a necessary in order to realise the public benefits of restoring the Category A listed site. It should also be borne in mind that 11 "buildings at risk" are proposed to be retained and regenerated in the site wide development. The Grey Mill (including Old Mill, South Mill, New Mill and red brick towers) is listed as one "building at risk" and the application would result in the loss of approximately half of the built fabric.

8. *Retention of a single façade is queried as not enough and inappropriate, due to others being visible.*

The historic significance in the Grey Mill is in its internal structure, this is in a serious state of disrepair and the oldest part is located centrally within the area proposed to be demolished. The facades themselves have architectural and townscape value, however, they are not of the same significance. The gable façade of the South Mill faces the site entrance and is visible in longer range views and from the street. It is considered a valid approach to retain this façade, which would be incorporated as part of a coherent design into the new build, the latter being the subject of a separate application.

## **Bats**

With regard to the possibility of bats using the buildings proposed for demolition, PPIp application Ref. 160150 confirms following a bat survey that there was no sign of them and little potential, due to damp.

## **RECOMMENDATION**

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**Approve conditionally**

## REASON FOR RECOMMENDATION

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The application proposal to demolish the Old Mill and South Mill elements of the Grey Mill is considered to be justified as the applicant has provided evidence, which has been independently verified, that if the site-wide proposals included the retention and repair of the Old and South Mills the entire development would be rendered unviable. The site-wide proposal involves the repair and retention of the remaining 11 Category A listed “buildings at risk”, and the remaining half of the Grey Mill, (known as New Mill), as part of a high quality mixed use development that will create a sense of place within the historic category A listed Broadford Works complex, with public access through the site and a high quality landscaping works including structured planting, the re-use of stone setts and cast iron features and areas of seating. It is considered that the scheme as a whole would result in public and community benefits on a regional level. With the attachment of conditions that require a signed building contract to be in place, and agreement with the planning authority over works that will take place prior to development, it is considered that the approval of the application is justified on the basis of Test c. and d. in the Historic Environment Scotland Policy Statement (HESPS), and accords, therefore, with Scottish Planning Policy and Policy H4 ‘Historic Environment’ in the adopted Aberdeen Local Development Plan.

Old and South Grey Mills are considered repairable, but at great expense and re-use options are limited by the type of structure, which further affects viability. The significance of the buildings is in their construction, rather than external appearance, therefore façade retention is not a worthwhile approach. Conditions would be attached to require the recording of the building as it stands, recording of archaeological finds and the reuse of elements of the fabric of the building, all in accordance with Policy D4 and D5 in the adopted Aberdeen Local Development Plan.

## CONDITIONS

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1. That the demolition shall not take place unless there has been submitted to, and agreed in writing by, the planning authority:
  - a. a signed binding contract for the works to implement the restoration of buildings within phase 1A and 2, as shown on the approved phasing plan, or such other as may be subsequently agreed, and construction of the replacement building incorporating the retained gable (all in accordance with Application Ref. 180531/LBC and 180537/LBC and/or such other listed building consent applications as may be subsequently approved); and,
  - b. a detailed construction programme for at least the first six months of works including phases 1A, 1B and 2, based on the phasing plan approved application 180530/MS, or such other plan as subsequently approved.

No demolition works shall take place unless the works preceding demolition, in the construction programme, or other such programme as may be subsequently agreed, have been fully completed – in the interests of ensuring that the demolition of the GM will result in the implementation of a project that will result in the restoration of the principal areas on this listed site.

2. No demolition shall take place until a scheme of archaeological investigation has been submitted for the approval in writing by the planning authority. Thereafter all works shall be undertaken in accordance with the approved scheme including the provision of post-



excavation and publication work. The scheme shall also set out the procedures for dealing with archaeological features discovered during the development of the site - in the interests of protecting items of historical importance as may exist within the application site.

3. No demolition hereby approved shall take place prior to a photographic survey of the relevant listed building being undertaken and submitted, along with an appropriately scaled survey drawing of the relevant building, to and approved by the planning authority. All elevations, both internal and external, together with the setting of the buildings, and any unusual feature/s, shall be photographed and clearly annotated on a plan, unless otherwise agreed in writing by the planning authority. Photographs, which should be digital on cd, shall be clearly marked with place name for identification, national grid reference and planning reference and deposited in the local Sites and Monuments Record - in order to ensure a historic record of the buildings.

Reason: To ensure that a historic record of the building is made for inclusion in the National Record of the Historic Environment and in the local Sites and Monuments Record.

4 Historic Environment Scotland's [Threatened Building Survey](#) Team should be notified and given three months to record the grey mill prior to the commencement of works - to ensure that a historic record of the building is made for inclusion in the National Record of the Historic Environment..

5. That demolition shall not take place unless there has been submitted to and approved in writing by, the planning authority a scheme for the salvage and reuse of dressed granite and granite blocks as well as cast iron features capable of salvage. The work shall be carried out in accordance with such a scheme and these materials shall be retained for re-use on the site – in the interests of retaining building fabric of historic architectural interest.

6. That the south gable of the Grey Mill South shall be retained on site in accordance with the approved details, or such others as may be subsequently approved. No works shall take place to the fabric of the gable, other than in accordance with the approved details, or others as may be subsequently approved – in the interests of preserving the fabric of the retained gable.

7. No granite cleaning to the retained gable shall take place until a stage two cleaning report in line with the Council's Stone Cleaning Supplementary Guidance and TAN 9 has been submitted to and approved by the planning authority.– in the interests of retaining the character of the listed retained gable.

8. No demolition shall take place unless there has been submitted to and approved by the planning authority, a scheme of dust suppression measures to minimise potential contamination and disturbance to nearby property. Thereafter such scheme shall be implemented as part of the works unless otherwise agreed by the planning authority - in order to minimise amenity impacts on adjacent properties during demolition works.

1. The notification should be made by filling out the [Consent Application Referral Form](#). This is available on the Historic Environment Scotland website.

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## APPENDIX 1



**By email to: [lgreene@aberdeencity.gov.uk](mailto:lgreene@aberdeencity.gov.uk)**

Aberdeen City Council  
 Planning & Sustainable Development  
 Business Hub 4, Ground Floor North  
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Longmore House  
 Salisbury Place  
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[HMConsultations@hes.scot](mailto:HMConsultations@hes.scot)

Our ref: HGG/A/GA/767  
 Our case ID: 300027575  
 Your ref: 180535/LBC  
 8 June 2018

Dear Sir/Madam

Planning (Listed Building Consent and Conservation Area Consent Procedure)  
 (Scotland) Regulations 2015  
 Grey Mill Building Broadford Works Aberdeen - Substantial demolition of Grey Mill  
 building (including: South Mill, Old Mill and stair tower); temporary stabilisation of  
 remaining southern gable, (North Mill and New Mill also to be retained)

Thank you for your consultation which we received on 19 April 2018. The proposals  
 affect the following:

Ref	Name	Designation Type
LB43908	MABERLY STREET, BROADFORD WORKS WITH RETURNS TO ANN STREET AND HUTCHEON STREET	Listed Building

### Our Advice

This listed building consent (LBC) application relates to the proposed substantial demolition of the Grey Mill range, part of the above category A listed former textile mill complex. It would specifically involve demolition of the Old Mill, dating from 1808; the South Mill, dating from 1820; and the red brick/granite stair and toilet towers, dating from the 1920s. These buildings comprise the middle and southern parts of the Grey Mill range. The south gable of the South Mill would, however, be retained and propped for subsequent incorporation with a proposed replacement building, subject of the associated application for planning permission 180537/DPP. (Please see our separate consultation reply letter for our comments on the proposed replacement scheme) The remainder of the Grey Mill range, comprising the New Mill, dating from 1850-60, would be

Historic Environment Scotland – Longmore House, Salisbury Place, Edinburgh, EH9 1SH

Scottish Charity No. **SC045925**

VAT No. **GB 221 8680 15**

retained and converted. The buildings proposed for demolition are itemised as buildings 43 (South Mill), 44 (Stair and Toilet Tower), and 45 (Old Mill) in the Conservation Plan, of June 2000, produced by Page & Park Architects.

The Old Mill is the oldest surviving iron framed mill in Scotland and amongst the oldest of its type in the world. The South Mill is also one of the oldest surviving iron framed mills in Scotland, possibly the third oldest. Both mills are therefore highly significant buildings within the Category A listed Broadford Works site. They were accordingly identified for retention and potential re-use in the Conservation Plan.

Since the final closure of Broadford Works in 2004, the various buildings on the site have been disused and are in a varying states of decay. Twelve buildings, including the Grey Mill range, have been on the national Buildings at Risk register since 2008, the largest single site concentration of category A listed buildings on the register. Previous planning approvals in 2010 and 2014 for mixed-use 'urban village' regeneration schemes, did not materialize. However, we are pleased that significant tidying up of the site has been undertaken in recent years, as part of the transfer of site ownership to the current owners. This included sacrificial demolition of a specified number of buildings to help unlock the potential regeneration of the more important retained buildings. Listed building consent for this demolition work was granted in 2015 (120049/LBC). The new owners subsequently obtained planning permission in principle in 2016 (160150/PPiP) for a mixed use regeneration scheme, which included retention and re-use of the entire Grey Mill range. The PPiP forms the basis for the site wide detailed proposals, subject of the associated current applications (180530/MS and 180531/LBC). Please see our separate consultation reply letters for these other applications for our comments on the site wide proposals.

### **Case for demolition**

We are naturally very disappointed to see an LBC application for substantial demolition of the Grey Mill range which comprise, as before, the two oldest, most important, buildings on the site. We have, over a protracted period of site visits, investigations and discussions with your Council, tried hard to find an alternative solution to demolition. This has included obtaining further advice from our own HES engineer, and then engaging a specialist conservation engineer to investigate a potential stabilisation and repair scheme and cost estimates for retention/repair. These investigations have indicated a significantly high cost, which would unlikely to be offset by any possible grant assistance from ourselves

We acknowledge that the current proposals are based on a full and updated condition survey of the Grey Mill buildings, including a detailed assessment of the underlying ground conditions, carried out by structural engineers following the completion of the approved demolition works and tidying up of the site in 2016. The information now



available on the structural condition and viability of regenerating the Grey Mill is significantly more comprehensive than that previously produced. The application includes copies of various reports by the engineers, Cameron + Ross, and a peer review report by Arup engineers, and details of an economic viability study, including Options Cost Appraisal by McLeod & Aitken QS, and a confidential Development Appraisal/Valuation by Ryden.

The applicant's set out their case for demolition, having regard to relevant national policy and guidance on the demolition of listed buildings, primarily set out in Historic Environment Scotland Policy Statement, 2016 (HESPS) – paragraph 3.42 and our Managing Change Guidance on Demolition. The submitted Heritage Statement, Planning Statement, and engineer's reports provide specific reference to one or more of the 4 tests for demolition set out in HESPS, paragraph 3.42. Proposals for demolition need to meet at least one of the tests:

Test a. the building is not of special interest

- The submitted Heritage Statement acknowledges the high importance of the Old Mill and South Mill and concludes that while the buildings are in a severely dilapidated and dangerous condition they retain their special interest. The applicants do not therefore present a case for demolition under test a.

Test b. The building is incapable of repair

- The applicant's case for demolition is based primarily on this test.
- The submitted documents include extensive structural condition survey reports, highlighting the seriously poor condition of the buildings and unstable ground condition of peat subsoil with inadequate historic timber grillage foundation. This, combined with significant mass and weight in the later inserted stair towers, has led to major differential settlement, particularly over the length of the Old Mill and South Mill. The settlement damage is most noticeable either side of the central stair tower between the Old and South Mills. It is likely the weight of the stair towers has exacerbated the settlement. The buildings have also suffered from long term disuse, vandalism and a lack of maintenance. The engineers advise that extensive ground stabilization/piling work would be required, including a considerable propping system to protect the buildings while the ground stabilization is carried out. Thereafter, substantial structural and fabric repairs would be needed for the buildings. The applicant's engineers advise that the buildings are too fragile and unsafe to allow a temporary propping system to be constructed so that ground stabilization work can be carried out. The engineers therefore recommend total demolition of the Old Mill, South Mill and adjoining



stair/toilet towers, with the exception of the south gable of the South Mill which they consider can be safely propped and re-used as part of a replacement scheme, partly because of different subsoil conditions at the southern end of the range. The applicant's obtained a peer review from Arup, who concur with the position of Cameron + Ross.

- Given the high importance of the buildings and seriousness of the proposed demolition, we appreciated the applicant's engagement at pre-application stage with your Council and ourselves. Along with your Council, we have been closely involved in a lengthy series of discussions since the applicants first presented their proposal for demolition in 2016. This has involved further investigations by engineers to find a viable alternative to demolition. In response to the applicants engineer's reports, and following initial discussions with our own engineer, a separate detailed appraisal was carried out by conservation accredited engineers from David Narro Associates, appointed by the Scottish Historic Buildings Trust (SHBT) who had previously undertaken an Options Appraisal for the Grey Mill range in 2015. Your Council and ourselves had agreed that commissioning this separate appraisal would assist with the assessment of the applicant's case for demolition. This was arranged through Aberdeen City Heritage Trust.
- The appraisal by David Narro Associates, included a non-intrusive visual inspection, an intrusive ground investigation by Geovia, and a review of the reports by Cameron + Ross, and Arup. David Narro Associates advise that while the buildings are in a poor state and the ground conditions are unstable, they consider that ground stabilization is achievable with mini-piling and temporary support for the buildings provided by a crash deck system under the first floor. On completion of the ground stabilization work, the repair works for the buildings could then proceed. The Structural Report by David Narro Associates, is included in the Investigation Report by SHBT of 16 February 2018, copies of which were given to the applicant's and their engineer's. The SHBT report also includes their architect's outline building/fabric condition survey report, and QS report on indicative costs for ground stabilization and building repair works, with a total estimated cost of £9m.
- In response, the applicant's engineers, Cameron + Ross, maintain their view that the buildings are too dangerous for a temporary propping system to be installed while ground stabilization piling work is carried out. Notwithstanding this, Cameron + Ross prepared a theoretical propping option based on discussions with David Narro Associates which has been costed and forms part of the applicant's economic viability appraisal under HESPS test d. (See below)



- We acknowledge the extensive investigations carried out and respect the professional views of the various engineers. The applicants, in their submitted supporting documents, acknowledge the difference of opinion between their engineer's and David Narro Associates on the repair capability. We consider this to be a significant difference of opinion, but are inclined to favour the David Narro report, as they are one of Scotland's foremost specialist conservation engineers with considerable experience in dealing with traditional buildings. We therefore consider that a case for demolition solely under test b. has, at this point, not been conclusively demonstrated. It is possible that the buildings can be repaired, albeit at great cost.
- Notwithstanding the above, we would also welcome clarification regarding the scope for retaining more than the south gable of the South Mill. The applicant's engineers advise that the south gable is generally in fair order and can be safely propped. It also appears that the underlying peat subsoil is not as thick towards the southern end and that differential settlement is not so apparent. We would therefore like to see if there is scope to retain and prop the end section of the South Mill, perhaps the end three bays, together with the south gable. Retention of the important early internal structure for a few bays would also be very worthwhile.

Test c. the demolition of the building is essential to delivering significant benefits to economic growth or the wider community

- The applicant's Heritage Statement sets out a case for demolition under test c. on the basis that demolition of the Old Mill and South Mill is essential to delivering wider economic benefits from the overall site-wide redevelopment of Broadford Works, similar to the social and economic benefits of an Urban Village redevelopment scheme envisaged in your Council's Broadford Works Design Brief of 2001. We recognize and welcome the potential wider benefits from a site-wide regeneration scheme, but there is no evidence to show the same benefits could not be achieved with a scheme that includes retention and conversion of the Old Mill and South Mill, in the event of a viable solution being found for their repair.
- However, the applicant's refer to the disproportionate costs (at least £9M) required to repair the buildings concerned which would jeopardise the viability of the overall scheme and cause the current project to be abandoned. This financial argument must be considered.
- If your Council finds that the overall scheme for Broadford delivers substantial economic or community benefits (on at least a Regional level), and the high repair



costs of the buildings concerned threaten these benefits from being achieved, then there would be a strong argument to allow demolition.

Test d. the repair of the building is not economically viable and that it has been marketed at a price reflecting its location and condition to potential restoring purchasers for a reasonable period.

- The applicant's case under test d is set out in the submitted Heritage Statement, Planning Statement, Options Appraisal by Sheppard Robson; Options Cost Appraisal by McLeod + Aitken; and a confidential viability assessment Development Appraisal by Ryden. The applicants have stressed that the case under test d is submitted, notwithstanding their view that the buildings are incapable of repair and therefore meet test b.
- The applicant's case under test d. is based on their assessment of the costs for repair/retention of the buildings, including ground stabilization and the theoretical propping solution (Option1) compared with costs for three demolition based options: Option 2 - rebuild, using 60% salvaged material; Option 3 – South gable retention; and Option 4 complete new build. The costs have been subjected to the Development Appraisal by Ryden, which we understand assesses the financial impact of each option on the overall viability of the site. While this Appraisal is commercially sensitive and therefore submitted as a confidential document, it is summarised in the Heritage Statement (Executive Summary, paragraphs 0.17 – 0.18, and Section F: Economic Viability paragraphs 9.09 – 9.16). This highlights a significant large development deficit of -£11.5m for Option 1 retention/repair, compared with Option 2 (-£3.6m); Option 3 (-£1.9); and Option 4(-£1.2) Option 1 is also expressed in terms of Residual Land Value as -£9m, compared with Option 2 (-£1.2); Option 3 (£0.5m); and Option 4 (£1.2m)
- The applicant's conclude that retention and repair of the Old Mill and South Mill, with the theoretical propping solution, would result in a substantial site-wide deficit, the scale of which is most unlikely to be offset by any potential grant funding or other restoring purchaser becoming involved.
- While we acknowledge that the applicants appear to have set out a robust case showing that the retention and repair is not economically viable, your Council should satisfy themselves on the submitted supporting information, including the information on financial viability set out in the Development Appraisal. To assist with your Council's assessment of this, we understand that separate valuation advice is being sought. The purchase price for the site would also be of interest.





## Conclusion

We are mindful of the considerable effort over the years to find a restoring purchaser/ developer for the vast Broadford Works complex. Previous planning approvals for regenerating the site have not progressed to a detailed scheme, including the 2014 approved scheme based on an innovative development strategy of subdividing the site into smaller development packages with a marketing campaign and developer workshops to help attract investment.

We strongly welcome the opportunity now presented by the new owners to regenerate the site under a single cohesive scheme, including restoration and conversion of the other remaining listed buildings, together with complementary new build and public realm improvements.

We appreciate the applicants have provided a strong case for the substantial demolition of the Grey Mill, under HESPS test b), based on thorough investigations of the buildings, including underlying ground conditions. However, it is our view that the applicant's case for substantial demolition under this test has not been conclusively demonstrated. We believe that it is possible that the building can be stabilised and repaired, but we accept that this will be at a very considerable cost.

Should your Council agree there would be significant benefits gained from the regeneration of the overall site, we also consider there may be a case for demolition under HESPS test c). Potential public and economic benefits would be possible from a site-wide regeneration scheme that includes retention and conversion of the Old Mill and South Mill, (in the event of a viable solution for their repair). However, if the high costs of repair leads to the overall scheme being threatened or even abandoned this would obviously prevent the benefits from the overall scheme from being achieved.

We consider that the assessment of the case for demolition under HESPS test d), is also relevant. The first part of test d). is essentially asking whether there is a 'conservation deficit' for the site. There appears to be considerable evidence, including a Development Appraisal valuation report, showing a vast deficit resulting from a repair scheme for the Old Mill and South Mill, but again the figures would need to be examined in more detail against the site-wide development. The second part of the test, concerning marketing to a restoring purchaser, is normally required, but as the site has only been recently purchased, after a protracted marketing period, this may not be appropriate, particularly if the deficit is agreed to be considerable.

To conclude, the expertise of HES is in assessing the impact of the development on the historic environment. We believe the Old and South Mills are an important part of the wider, nationally important, site and should be retained if at all possible. However, we



concede that the repair costs involved are substantial, due to the very particular and long term problems the building has. The problems are far beyond the scope of usual grant assistance.

The question is whether the costs for the repair (and the additional necessary costs for reusing the building) are indeed possible within the overall scheme. We have decided not to object in this instance, because we believe there may well be a compelling case that the costs involved could threaten the very welcome regeneration of the entire site.

We are content to be led by your Council in the investigation of the financial argument in more detail. The key considerations are whether the high costs of repair for the buildings concerned would threaten the substantial benefits that the overall scheme could bring (test c) and whether the 'conservation deficit' is judged too much for anyone to bridge (test d).

In the event of your Council satisfying themselves on the submitted evidence, we would suggest there is the potential to retain the southern end of the South Mill together with the south gable. We appreciate this would involve a revised replacement scheme, which we would be happy to discuss further.

Planning authorities are expected to treat our comments as a material consideration, and this advice should be taken into account in your decision making. Our view is that the proposals do not raise historic environment issues of national significance and therefore we do not object. However, our decision not to object should not be taken as our support for the proposals. This application should be determined in accordance with national and local policy on listed building consent, together with related policy guidance.

### **Further Information**

This response applies to the application currently proposed. An amended scheme may require another consultation with us.

Guidance about national policy can be found in our 'Managing Change in the Historic Environment' series available online at [www.historicenvironment.scot/advice-and-support/planning-and-guidance/legislation-and-guidance/managing-change-in-the-historic-environment-guidance-notes/](http://www.historicenvironment.scot/advice-and-support/planning-and-guidance/legislation-and-guidance/managing-change-in-the-historic-environment-guidance-notes/). Technical advice is available through our Technical Conservation website at [www.engineshed.org](http://www.engineshed.org).

As this application involves the demolition of listed buildings, if consent is granted there is a separate requirement through section 7 of the Planning (Listed Buildings and Conservation Areas)(Scotland) Act 1997 (as amended) to allow us the opportunity to carry out recording of the building. To avoid any unnecessary delay in the case of consent being granted, applicants are strongly encouraged to complete and return the



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Consent Application Referral Form found at [www.historicenvironment.scot/about-us/what-we-do/survey-and-recording/threatened-buildings-survey-programme](http://www.historicenvironment.scot/about-us/what-we-do/survey-and-recording/threatened-buildings-survey-programme).

Please contact us if you have any questions about this response. The officer managing this case is Michael Scott who can be contacted by phone on 0131 668 8913 or by email on [Michael.Scott@hes.scot](mailto:Michael.Scott@hes.scot).

Yours faithfully

**Historic Environment Scotland**