



## **Astley Ainslie Feasibility Study**

Report 01 v09

Main document

Whole Site Evaluation

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Cover image – Martyn Wellman, photographer

# 1 Executive Summary

## Background

Community asset transfer of the Astley Ainslie site is an opportunity to retain and enhance the green space, increase access to nature and pioneer community-led delivery of the Scottish Government's community empowerment agenda in a high value, high-profile urban location, with a focus on health, wellbeing, collaboration, and sustainability. The Covid-19 pandemic has triggered a major reassessment of the value of accessible green space, particularly in relation to residential communities, and its link to positive physical and mental health outcomes. The Astley Ainslie's history as a special place reserved for recuperation within a green environment can and should inform its future.

The Astley Ainslie site also creates an opportunity to develop sustainable community living with sustainable transport and local access to jobs, services and recreation. The Scottish Government's "Sustainable Cities and Communities" goal is about creating places which are good for communities and work sustainably with the environment. This includes sustainable and flexible housing, mixed communities, active travel, good air quality, community safety, and access to greenspace, in line with community-led Local Place Plans. Funding to support the necessary community capacity and resilience to improve local outcomes is a key part of delivering this Scottish Government's ambition, with increasing access to funds for delivery through the Scottish National Investment Bank and through Participatory Budgeting.

The aims of study:

- To develop a vision for community ownership, development and operation of the Astley Ainslie site, by considering feasibility and viability of various options.
- To test a range of options against
  - Social outcomes
  - Environmental and sustainability outcomes
  - Financial viability

A summary of the findings in this report was presented to the community for consideration at the AGM in December 2020.

In June 2020 the Scottish Land Fund (SLF) gave the clear indication that they would only support a study of part of site. An initial assessment identified Zone 2 (north west) as the primary candidate area as it offers the best blend of opportunities for community benefits. This assessment was carried out through analysis of the potential outcomes for all zones. Zone 2 has a mix of landscape and building characters, woodland, open grown trees and specimens, buildings with heritage

value, and others where new community-led re-use development is possible. It also has a strategic position spanning two major site access points. The Trust secured funds from the SLF and others for development of a feasibility study and social enterprise study to test this initial assessment and present at the end of March 2021.

In August 2020 the Trust's membership determined that, in parallel with the development of the study for the primary zone (Zone 2) funded by the SLF, they would fund this short study (this Report 01) that considers a wider high-level evaluation of whole site. This should provide a clearer understanding of the development pressures and constraints on it and allow the community to review how it might best influence its future. This has been funded by donations.

## Findings

A typical part of the site promises a high development potential, and therefore likely comes at a high cost. Ownership of either the green infrastructure alone or of the green infrastructure in combination with a low density development consisting largely of community facilities would thus result in a large development deficit.

This report illustrates how a complimentary mixture of community and commercial facilities would provide a more feasible model for the development of the wider site.

This principle applies whether the ambition is for community ownership of the whole site or any single zone.

### Initial consideration of Zone 2 only

The different scenarios that were modelled presented different priorities in terms of the reuse of existing buildings and retention of open greenspace. These were set against a 'baseline' comparison study that anticipated a market-led housing and commercial development typical of recent examples close to the Astley Ainslie site. The three scenarios were as follows:

- i. Baseline market-led (6.2)
- ii. A community-led development - re-use and greenspace focus (6.3)
- iii. A higher housing density community-led development - accessible housing focus (6.4)

Scenario financial modelling of these three scenarios demonstrates the economic opportunity cost of community-led development for social benefit.

	Scenario i	Scenario ii	Scenario iii
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Approach	Market-led comparison, maximising economic returns	Prioritising Re-use and Greenspace	Higher density focus on accessible housing
Number of units	200	118	232
Non-residential m2	4,967	2,891	5,169
Developer Profit	£6.6M	£2.1M	£4.2M
Return on investment	9%	5%	6%

An Outcomes and Outputs matrix demonstrated the balance between the triple-bottom-line outcomes of social, environmental, and financial returns of the three different Scenarios (6.5). The table below shows the comparative ranking (high, medium, low) for each criterion.

Triple-bottom-line assessment	Zone 2 Scenario i	Zone 2 Scenario ii	Zone 2 Scenario iii
Financial	H	L	M
Social	L	M	H
Environmental	L	H	M

#### Applying similar scenario-based approaches to the whole site

- **Baseline model (7.1)** – A market-driven development - a substantial residential development with pressure on greenspace provision and limited opportunity for community benefits. This model provides an indication of the deficit between commercial- and community-led approaches.

Key points for this model:

- This illustrates what a private development might look like
- Likely to be substantially residential development (up to 850 units), 25% affordable, with limited mixed-use development.
- There will be developer contributions, but the community will have limited influence generally
- Could generate developer profits of around £50M



- **Green infrastructure only model (7.2)** – This approach would involve taking ownership of the principal areas of accessible open space across the site in order to generate a number of community benefits relating solely to outdoor activities. This would involve minimal ‘built’ development, and assumes all other opportunities within the remainder of the site would be developed by other parties

Key points for this model:

- This principally involves the community purchase of substantial area of green space
- Delivers community benefits – an active and productive landscape
- Create limited revenue generating opportunities to support activities
- Does not enable community benefit from the built environment
- Allows limited influence on the design, uses & extent of the built environment.



- **Balanced model (7.3)** - Community-led development options. This focuses on delivering a ‘triple bottom line’ of sustainability to ensure that environmental

considerations were inherent within the site strategy. Economic benefits are balanced by social and environmental considerations. This achieves fewer housing units than the baseline scenario, but retains more greenspace, puts more of the built heritage to public use rather than residential and generates a range of community benefits.

Key points for this model:

- Greatest community control of the site's development
- Integrated community benefits from the built and natural environment
- Making the most of the existing landscape & heritage assets
- Community benefits extend beyond the boundary of the site to reach the wider community
- Requires partnering with like-minded developers for access to capital
- Requires significant investment in community's capacity



This “zoned” approach to the development of the whole site balanced the emphasis on economic return in Zones 1 and 3 with a “community core” in Zone 2. Additional environmental benefits were gained through Zone 5’s identification as active greenspace. Finally, the historic legacy of community wellbeing was retained through a health and wellbeing “community village” approach to Zone 4.

The economic and built environment aspects of such an approach are summarized below (7.4). The “opportunity cost” of this approach is compared to a maximum market-led development opportunity of around 850 units (of which 25% would be affordable homes) on the site. The financial models demonstrate private sector profits foregone of around

£36.5M, with the potential private developer profits totalling £53.5m against £17m profit from community-led development.

	Zone 1	Zone 2	Zone 3	Zone 4	Zone 5		
Approach	Higher density delivering economic returns	Community Development Core	Higher density delivering economic returns	Mixed use health and wellbeing "village"	Accessible greenspace for social and environmental benefit	Total site	Market-led comparison
Number of units	52	118	261	200	0	631	Up to 850
Non-residential m2	1,262	4,967	6,486	4,849	0	17,564	21,192
Land cost £1.1m / ha	£2.5M	£4.6M	£7.6M	£5.6M	£0.5M	£21M	£21M
Development cost	£18M	£41M	£93M	£69M	£0.5M	£222M	£304M
Sale value of units	£22.5M	£48.1M	£108.7M	£80.7M	0	£260M	£378.5M
Developer Profit – Community-led	£2.0M	£2.1M	£8.1M	£5.7m	£(1.0)M	£17M	£53.5M
Developer profit – Market-led comparison	£2.0M	£8.2M	£15.5M	£26.0M	£2.1M	£53.5M	

The Outcomes and Outputs matrix below shows how a different development focus for each zone of the site delivers an overall balance of financial, social, and environmental outcomes.

Zone	Zone 2	Zones 1,3	Zone 4	Zone 5
Triple-bottom-line assessment	Community development core	Mainly Residential use: Private housing with 25% affordable housing	Mixed-economy health and wellbeing "village"	Nature and greenspace
Financial	M	H	M	L
Social	H	L	M	M
Environmental	M	L	M	H

## Capacity Building

To pursue a community-led development would require the following:

- Developing the community capacity to undertake a very significant development over a number of years.
- Working in partnership with other providers.
- Understanding the risk appetite of the community and funders.
- Considering models of governance and delivery.

- Attracting investment finance.
- Gaining political support.

## Conclusion

A community-led development of the Astley Ainslie site would yield an array of social, environmental, and economic benefits to the community.

Our recommendation is that a balanced model (7.3) best delivers the community vision for the whole site. Within that, a community-led development prioritising re-use and green space of Zone 2 (6.3) is key. AACT should therefore focus its efforts on the transfer of Zone 2 while being open to opportunities in other parts of the site that also deliver the community vision.

This will allow AACT to formulate a robust proposal for Zone 2 for funding within the constrained timeline, while continuing to explore development partnerships in the wider site.

A presentation of highlights from this summary took place at the Trust's AGM, held online on 3<sup>rd</sup> December 2020.

## Orientation map



