



## **Astley Ainslie Feasibility Study**

Report 01 v10

Main document

Whole Site Evaluation

December 2020

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Cover image – Martyn Wellman, photographer

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# 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

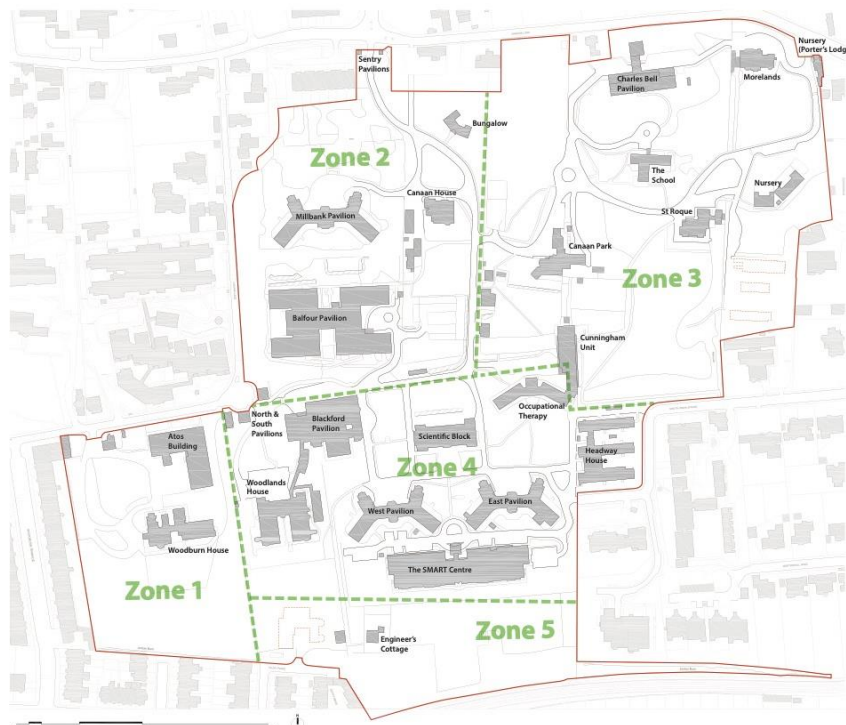
A community-led development of the Astley Ainslie site would yield an array of social, environmental, and economic benefits to the community.

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





## 2 The Purpose of this report

During 2020, AACT commissioned a Feasibility Study and Social Enterprise Plan to develop a vision and viable model for community ownership, development, and operation of the Astley Ainslie site following the proposed disposal of the site by NHS Lothian in the mid 2020s. The Astley Ainslie site presents the opportunity for pioneering, community-led development that delivers many of the Scottish Government's sustainability, health and community objectives within a historic, central site previously bequeathed for the public good.

This report conveys the findings of the first of three parts of a comprehensive study. The focus of this first part has been a holistic appraisal of the site in terms of its opportunities and challenges.

The aim of this first report is to create a series of recommendations that will serve as a foundation for more detailed, area specific studies. This will include a high-level appraisal of the how the community's objectives can best be met across the entire site, and the opportunities presented by connections to the surrounding context. This baseline appraisal will assess how as potential custodians of the site, AACT could also influence the site's future development by other partners through ownership and/or models of governance.

The Covid-19 pandemic has triggered a major reassessment of the value of accessible green space, in particular its role in alleviating the rise in mental health issues. Systemic shortages during this period have highlighted the benefits of creating space for local circular economies to develop. Pilot projects such as the 'Transition Towns' movement provide a glimpse of how shared governance of localised food production, energy generation, and education can improve the resilience of urban communities.

Community asset transfer of the Astley Ainslie site is an opportunity to 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 context of this report within the wider study:**

- **Report 1 (this report) - A whole site evaluation. Target Oct/Nov 2020**
- Report 2 – SLF funded study for a 'primary zone' selected with the hospital site. Target Jan 2021
- Report 3 – SLF funded Social Enterprise Plan for the 'primary zone'. Target Mar 2021

## **Report authors**

Following an open invite, a team led by Oliver Chapman and Michael Collins (Architects) with Hazel Allen (Athena Solutions – Business & Social Enterprise Consultant) and Mike Harrison (Harrison Stevens - Landscape Architects) was selected.

## 3 Introduction

### 3.1 The Community Body

AACT was established in 2018 by volunteer locals who believe that the community will directly and substantially benefit from community ownership of the Astley Ainslie site, which would include continued or enhanced public access to the grounds and many of the buildings. AACT is aiming to use the mechanism of Community Asset Transfer under the Community Empowerment (Scotland) Act 2015 to acquire all or part of the site towards delivering this community benefit.

AACT is an unincorporated constituted association consisting of more than 200 members with an Executive Committee of six. As the project progresses towards submission of an Asset Transfer Request, AACT aims to register as a community benefit society, incorporate as a company limited by guarantee or a SCIO, or adopt another suitable legal form.

The background of Executive Committee members draws on a variety of skills and disciplines including forestry, architecture, law, psychology, political representation, archiving and curation, hospitality, housing, childcare, ecology, academia and telecommunications.

The Community Boundary (area from within which membership is drawn) is geographically defined for the purposes of the Community Empowerment (Scotland) Act.

The statutory community body engaged in the disposal process of the AAH site is the Astley Ainslie Community Engagement Group (CEG), consisting of representatives from the four relevant community councils (Marchmont & Sciennes, Morningside, Merchiston, and Grange & Prestonfield) and the Grange Association. AACT works closely with AACEG to ensure NHS Lothian and CEC keep the community informed and consulted.

AACT has received guidance/support from Community Ownership Support Services (COSS, part of DTAS), Scottish Land Fund, and Community Land Scotland.

### 3.2 The site

NHS Lothian has announced that the Astley Ainslie Hospital (AAH) is due to close in the mid-2020s, with the onsite NHS services being transferred to the Royal Edinburgh grounds. The AAH grounds extend to c. 20 hectares (50 acres) in the heart of South Edinburgh, these include designed landscapes, policy woodlands, wetland, and plantation woodland.

### 3.3 Site location and character

The site is in South Edinburgh, on a south-facing slope dropping south from Bruntsfield towards Blackford Hill, offering a sheltered, sunny aspect. It is important public land – the central part of a green corridor extending from Tollcross to the City Bypass. The grounds are bounded by the neighbourhoods of Bruntsfield, Marchmont, Grange, Morningside, and Merchiston. It is within the Community Council area of Marchmont and Sciennes, borders three other CC areas, and is in the LA political ward of Southside and Newington

### 3.4 History, buildings, and nature

The site has a history of health provision, from a 16th century plague hospital, chapel, and cemetery catering to the victims and survivors of plague. Some remains have not been excavated, with indications of previous use such as stone carving and wells.

Until the early 19th century, the site was farmland providing Edinburgh with provisions. The earliest building, at Morelands, was built to provide respite from the city for town dwellers. The owners planted gardens and grew exotic plants from the Americas and Asia such as the Giant Redwood, the Monterrey Cypress, and the Bhutan Pine.

The Trustees of David Ainslie bought the land in 1920 to provide a convalescent hospital for the sick and disabled from the Royal Infirmary. The Royal Botanic Gardens provided plants, seeds, and expertise to improve the gardens. The Trustees undertook research and a pioneering interest in occupational therapy, buying more land in 1945. In 1948, the NHS took over the properties and the bequest. The AAH is the last convalescent hospital in Scotland.

There are approximately twenty buildings on the site, with utility structures. There are five 19th century villas; buildings constructed for the Astley Ainslie Institution in the 1920s and 30s, such as the butterfly pavilions and the consultants' bungalow. Others include wartime huts and modern buildings: The School, the Balfour and Charles Bell pavilions, Atos building, and the new Smart Centre.

The biodiversity value of the site in relation to its position in the city is high. The City of Edinburgh Council (CEC) recorded 2000 trees (from the year 2000) including native tree species such as Sessile oak and Silver birch, mature specimens of exotic trees a seminatural shelter belt, mixed plantation woodland and a Norway spruce plantation. The collection of exotic trees may be second only to the Royal Botanic Gardens of Edinburgh.

### 3.5 Present day clinical uses

AAH is a rehabilitation hospital. While services are relocating to the Royal Edinburgh Hospital, some continue on site, including three inpatient wards and some outpatients/community services such as chronic pain, cardiac rehabilitation, including the Heart Manual, the SMART centre for rehabilitation technology.

The NHS has announced that it intends to market the site in 2021—although delays due to the Covid pandemic may affect this—and to completely vacate the site by the mid-2020s. Some of the buildings are already vacant. Delays in planning by NHS suggest that these dates may change.



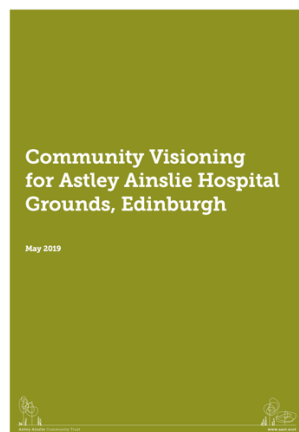
## 4 Background

### 4.1 Why community ownership?

The Astley Ainslie site could provide a ground-breaking opportunity to 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. There is a pattern of private residential development surrounding the site, which is indicative of high value, exclusive, gated housing, often associated with overseas investors and absenteeism. AACT believes that community ownership can provide a development model that delivers inclusive residential provision, where profits are retained and reinvested within the community for community benefit. AACT wishes to construct an Asset Transfer proposal for a self-sustaining and vibrant development that will convince NHS Lothian of its substantial benefits.

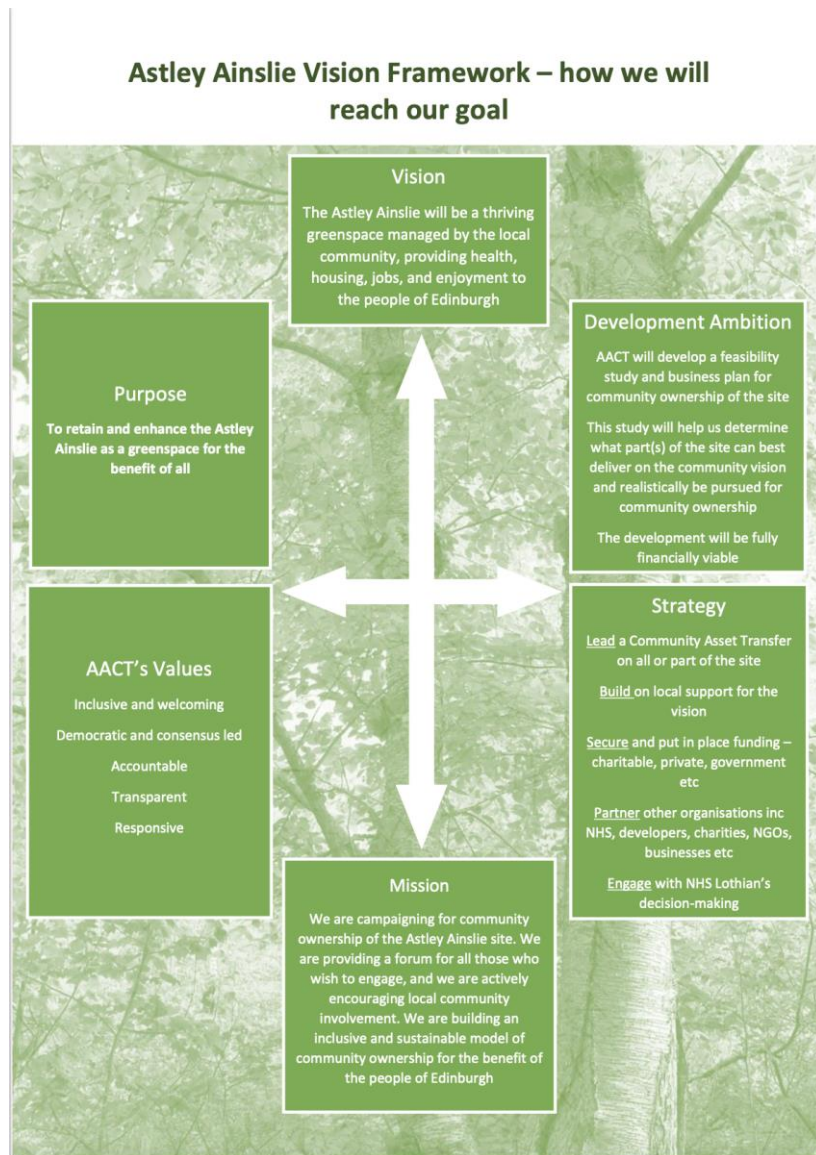
NHS Lothian would prefer to sell the site as a whole; however, they have indicated that they would consider selling a part of the site if it was a discrete section that left a coherent residual estate.

AACT Visioning Report – May 2019.



AACT held a series of public events and community engagement activities in March 2019 to develop a vision for the future of the site based on community aspirations. This work led to the Trust publishing its 'Community Visioning' document. These events were led by planning expert Nick Wright and funded largely by the Scottish Government's Making Places scheme.

## 4.2 AACT's Vision Framework



## 4.3 Planning context and previous studies undertaken.

### 4.3.1 City Plan 2030

This document sets out how the council intends to develop the city's built environment strategically between 2020 and 2030. The first engagement stage 'Choices for City Plan 2030' took place between January and April 2020 and responses are being reviewed currently. Once adopted, it will be used to inform the more detailed future Local Development Plan.

Some of the proposals are based on a commercial needs analysis created before the Covid-19 pandemic.

It indicates 500 homes for the Astley Ainslie might be considered appropriate as part of a mixed-use development subject to further review and detailed study.

#### **4.3.2 The Local Development Plan and relevant NPPF objectives**

The most recent LDP was adopted in November 2016. Development of a new LDP is expected following the adoption of the strategic City Plan 2030. Consultation is anticipated on a draft Dec 2020 to Feb 2021. This will be a significant opportunity for AACT to make representations on the future use of the Astley Ainslie site.

#### **4.3.3 Place Brief (2020/2021)**

The CEC place brief is currently ongoing but subject to delays from arising from the Covid-19 pandemic. The design team met with representatives from CEC in September 2020 and a number of broad themes were discussed that were in alignment with many of AACT's own objectives. The CEC team have produced Place Briefs for a few other sites in Edinburgh, most recently for future development of a site at Leith Walk / Halmyre Street which involved public consultation. While not prescribing specific building uses, Place Briefs seek to coordinate future development through discussion with landowners and developers with the Planning Authority.

#### **4.3.4 AACT's objectives (2019) for CEC's Place Brief**

The AACT Visioning Report, May 2019, identified the following objectives, evident from the consultation, for consideration in the CEC Place Brief and site disposal process. These principles are in broad alignment with the broader national planning policy objectives in addition to CEC's own policies and strategic ambitions for the south of Edinburgh to ensure that the quality of this existing natural and historic landscape is safeguarded for future generations.

- Retention of trees, woodland, green spaces and the natural environment is of paramount importance.
- The focus on health and wellbeing was supported, with a preference for public rather than private activities (for example, community gardening rather than allotments).
- Peaceful outdoor public spaces were generally favoured over spaces for noisier outdoor activities.
- Retention of the open aspect of southern parts of the site was supported.

- There was a general preference for new buildings to be of modest size and ecologically friendly or timber construction, with a range of views for and against the development.
- Development of new buildings higher than those currently on the site could provide advantages in terms of achieving a viable quantum of development without unduly reducing the amount of greenspace but would need careful consideration.
- A general aspiration for avoiding through vehicular traffic and keeping vehicles to the edges of the site as far as possible, and minimising parking.
- Supporting public access through the site along both north-south and east-west axes, including safe routes to local schools.

#### **4.3.5 Grange Association – (Astley Ainslie Community Engagement group) 2019 Place Brief.**

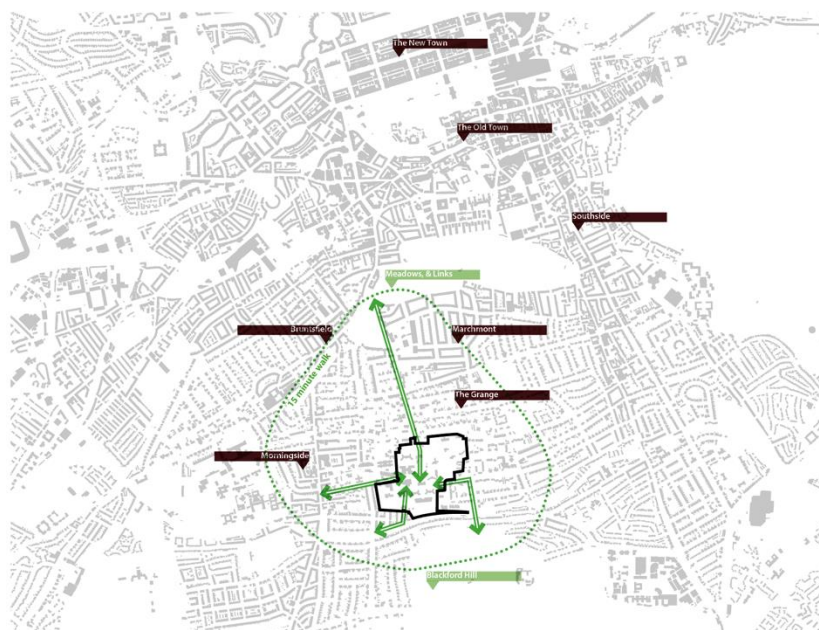
- Six criteria were identified in relation to the development of the site; distinctive, safe and pleasant, adaptable, welcoming, resource efficient and easy to move around.
- Broad suggestions for housing and retail areas, light commercial and community functions are discussed in relation to existing buildings and vacant areas around the site.

## 5 Understanding the existing site

### 5.1 Context

#### 5.1.1 In the city

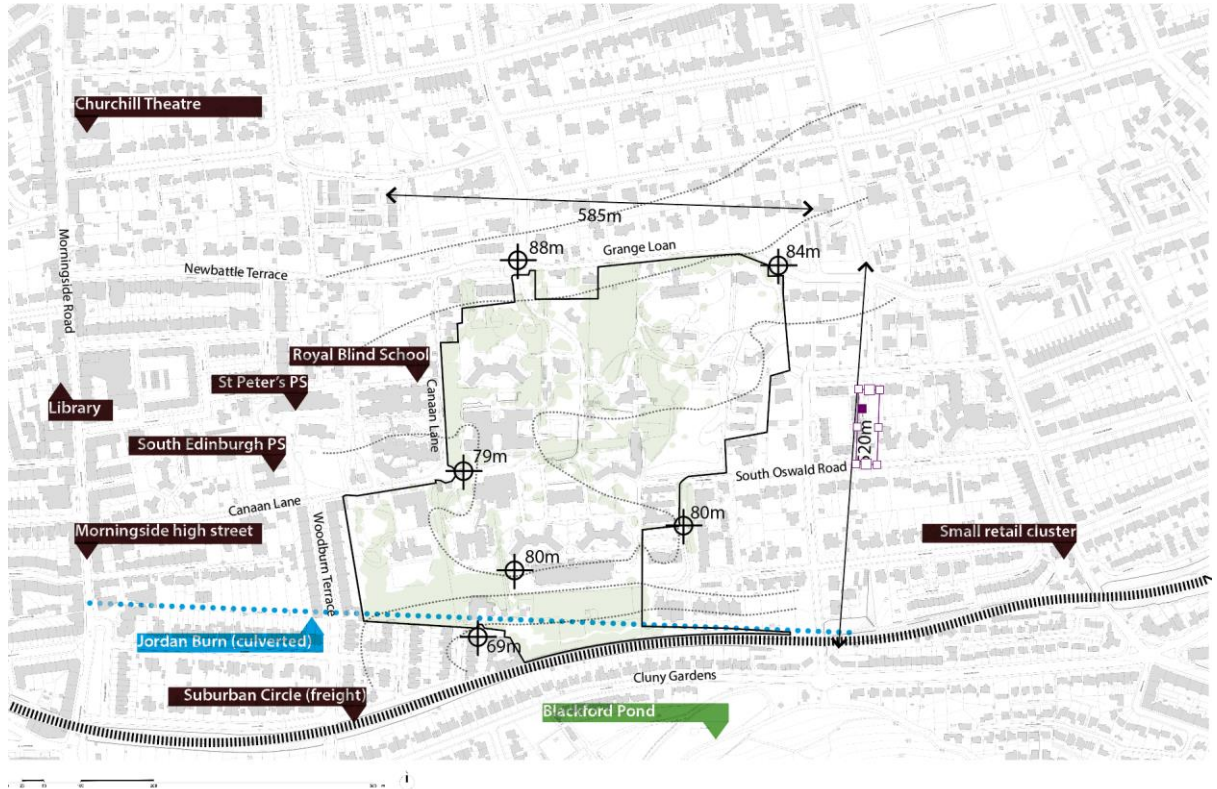
The site is in South Edinburgh, on a south-facing slope from Bruntsfield towards Blackford Hill, offering a sheltered, sunny aspect. It is important public land forming the central part of a green corridor extending from Tollcross to the City Bypass. The grounds are bounded by the neighbourhoods of Bruntsfield, Marchmont, Grange, Morningside, and Merchiston. It is within the Community Council area of Marchmont and Sciennes, borders three other CC areas, and is in the LA political ward of Southside and Newington.



#### 5.1.2 In the neighbourhood

Surrounding neighbourhoods are predominately residential but with a concentration of amenities and other uses within a 10-minute walk on the west side around Morningside. St Peter's Primary and the Royal Blind School (early years, primary & secondary) form a cluster

directly to the west, soon to be joined by South Edinburgh Primary due for completion in 2021.



### 5.1.3 Surrounding Housing tenure and typologies

area

The site is surrounded by mixed density neighbourhoods ranging from four storey Victorian tenements to the west around Morningside Road to large individual Victorian villas to the east and north east.

In recent years infill development has been relatively dense such as the Woodcroft development at the former telephone exchange site at Clinton Street & Pitsligo Road.

#### Morningside/Newbattle/Marchmont

Largely tenemental apartments  
60–90 dwellings per hectare

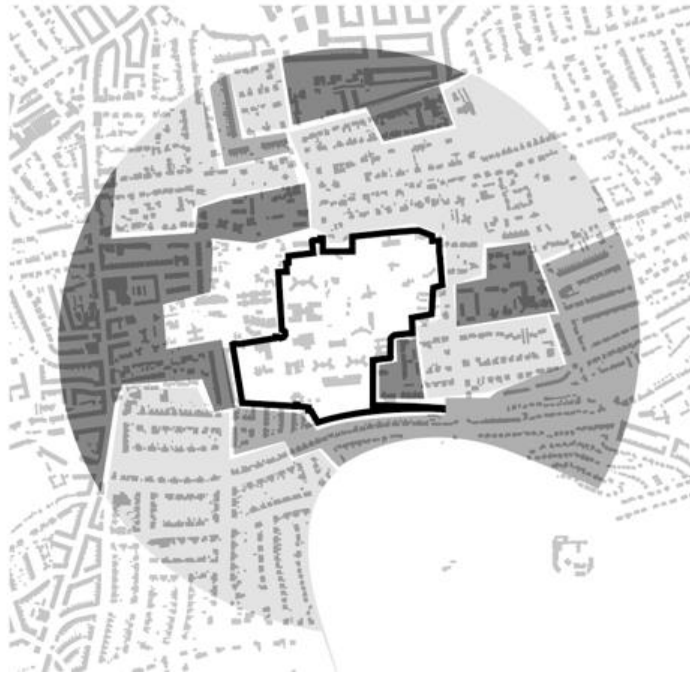
#### Greenhill/Blackford

Predominately terraced town houses with occasional detached villas  
40 dwellings per hectare

#### Grange/Cluny

Detached and semi-detached villas, with apartment buildings mostly from mid-20th century onwards

20–40 dwellings per hectares

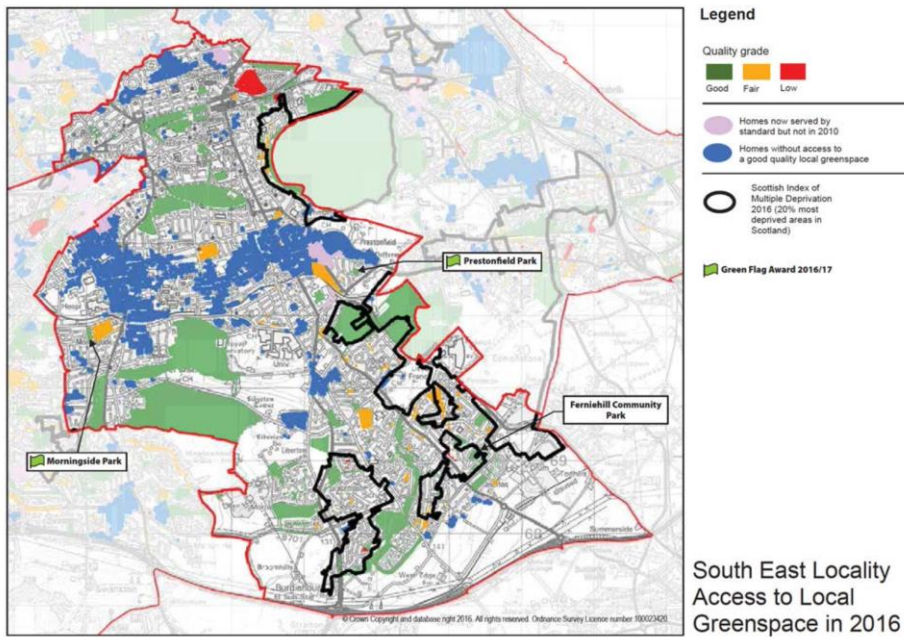


#### 5.1.4 Access to greenspace

The City Council's open space strategy ('Open Space 2021') was published in 2016. This suite of documents includes the South East Locality Open Space Action Plan, which demonstrates that the communities surrounding the site fail the Council's two standards for access to greenspace:

- No good quality local greenspace within 400m.
- No good quality large greenspace within 800m.

The absence of good quality public greenspaces in the local area reflects the density and amount of flatted residential property, particularly north and west of the site.



## 5.2 Movement and connectivity

### 5.2.1 Designated Core Path

Designated Core Paths pass through the site, linking South Oswald Road to the east and Canaan Lane to the west and two points on Whitehouse Loan to the north to Cluny Place in the south. The Core Paths are well used, including as a route to schools by local children. The site represents a permeable and open area of space within a context characterised by closed private boundaries. In addition to the core paths, other routes across the site and its grounds are used informally as a route by local residents and dog walkers.

### 5.2.2 Public transport

There are currently no direct bus routes to the Astley Ainslie, there are a number of bus routes that service the site indirectly along Kilgraston Road and Morningside Road.

## 5.3 Character appraisal – landscape and buildings

### 5.3.1 Landscape summary description

(Refer to Appendix II for full description)

The Astley Ainslie Hospital sits in a wonderful park-like environment that has contributed to the well-being, recreation and convalescence of its patients and the local community for nearly 100 years. The site has nearly 2,000 trees belonging to over 100 species. Many are



protected and have created a natural environment of significant importance that serves people as well as nature.

As part of a larger urban forest stretching from the Grange in the north and east to Blackford Hill in the south, the trees at the Astley Ainslie are a haven for wildlife. More than 100 kinds of birds have been recorded at Astley Ainslie, and there is also a wealth of other less obvious wildlife including various kinds of snail, wildflowers, mosses, lichens and fungi.

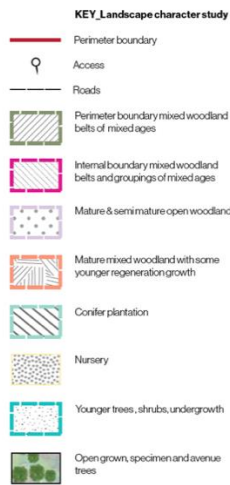
In 2016, members of Edinburgh wildlife group 'Wild Reekie' conducted a mini-'bioblitz' of biodiversity in the Astley Ainslie grounds. In just 2 hours, they noted 66 different species including trees, flowers (including woodland flowers from ancient forests), grasses, birds and small mammals.

In August 2019, AACT organised a Nature Day onsite, which included a similar bioblitz. Their event (which attracted over 100 people, including 30 children) recorded 258 species on the site, including 146 plants, 50 mosses and liverworts, 23 insects and woodlice, 16 fungi and 17 birds. The range of life on the site clearly demonstrates the importance of the site as part of a wider green network across the city for wildlife and people.

Key aspects of the site that were considered:

1. Mature trees
2. Views
3. Enclosures
4. History
5. Villas in the landscape
6. Community health and wellbeing
7. Existing biodiversity/ecosystems on the site.

Following analysis, the site was defined by five specific zones which each have their own set of characteristics and qualities. These are related to topography, aspect, trees and woodland, open space and built form, the collection of which creates unique places throughout the estate.

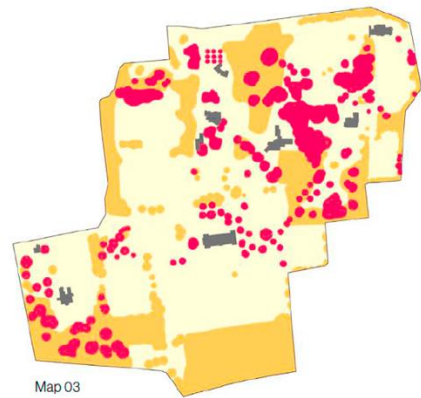
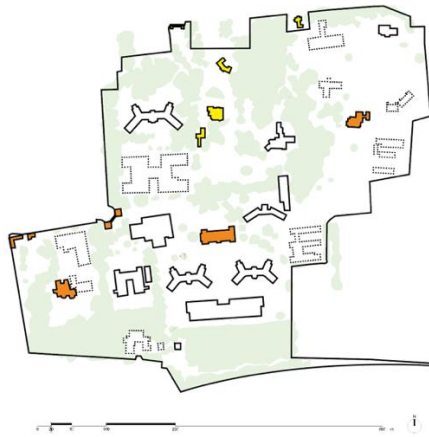


### 5.3.2 Landscape and heritage constraints across the site

**Topographical constraints:** These include steeply sloped embankments toward the south, and localised level changes across the north western portion of the site in addition to a number of landscape structures.

**Areas of landscape significance:** Following a character analysis which looked at the physical attributes of the estate, enclosure, open spaces, topography and climate/aspect, it has been established that the natural components on the site contribute to its constraints. A landscape 'heat map' was created to grade the significance of the areas and features of the natural environment, especially relating to specimen trees and significant tree groupings as well as landscape settings that compliment listed buildings. The heat map provides context to the natural constraints on the site, areas which are more sensitive to change. This analysis was combined with listed buildings to help identify areas sensitive to intervention.

**Existing heritage assets:** These include the buildings with statutory designations (grade B and C listed historic villas, and science block), but also unlisted candidate buildings such as the butterfly wards that arguably have an 'evidential' value in terms of the use of the site during the 20<sup>th</sup> Century.



**Built heritage significance**

- B Listed
- C Listed
- Not listed but consider retaining
- Not listed and considered low value

Built heritage significance. Listings

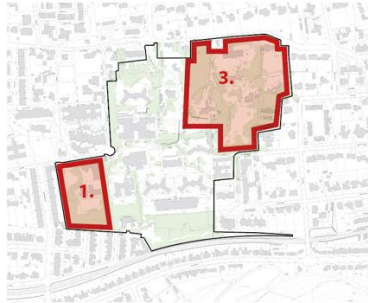
Landscape significance. Heat map  
Refer also to Appendix II

**5.3.3 The definition of Character Zones within the site**

The evolution of the existing natural and historic layers of the site combined with influences from the surrounding context have created unique distinctions between different parts of the site. Site studies and appraisals identified five existing loosely bounded character areas within the site for analysis.

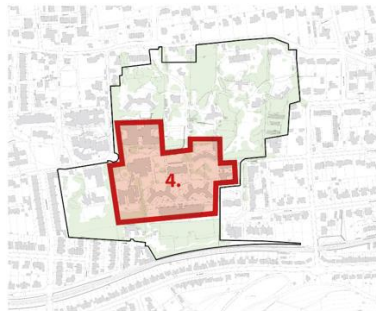


### **'Victorian Villas' – Zones 1 & 3**



Typified by listed Victorian villas in designed landscape settings. Opportunities exist for the re-use of heritage assets, new built forms with facilities linked to the natural setting.

### **'Healthcare village' – Zone 4**



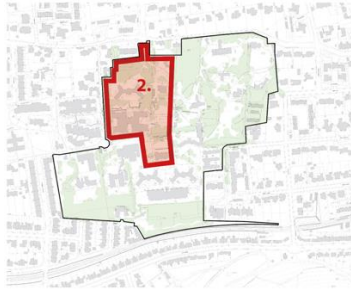
Built on a golf course soon after the Second World War, these purpose-built healthcare rehabilitation buildings are distributed relatively evenly in a less mature landscape setting. This zone has the principal link to the road network at Canaan Lane between a pair of attractive B Listed gatekeeper's cottages engaged with short sections of stone boundary walls, at Canaan Lane.

### **'Rough ground' – Zone 5**



This zone consists of a steeply sloping, spruce tree-lined fringe along its north edge, and a more open area along the railway and over the partly culverted Jordan Burn. This presents a more challenging site for development than others; however, opportunities exist for more discreet facilities facing south in a woodland setting.

## Blend – Zone 2



Formerly a single villa (Canaan House, C-Listed) set in extensive open grounds, this zone has changed considerably in a relatively uncoordinated way. It has elements added post Second World War; a boarded up 'butterfly' ward, a groundsman's cottage and iron gates with sentry pavilions (C-Listed), and a late 20<sup>th</sup> century H-plan brick and concrete care facility building.

It Includes central north/south landscape spine and the key north site access point. It has a good interface with the west boundary of site permitting optimal connection with Morningside's 'centre of gravity'.

Its blend of different building types and landscape characters offers a wide range of opportunities.

## 5.4 Legal Title

The site is an assembly of plots acquired by the NHS over many years. Ongoing wayleaves and other burdens will have liability implications affecting the site's future. We understand that the AACT is engaging legal advice to better understand the detail of the various titles that make up the site. This advice will be key to the Trust's decisions regarding community ownership.

## 5.5 SWOT Analysis

A Strengths, Weaknesses, Opportunities and Threats analysis was carried out to gain a high-level understanding of the likelihood of each zone being developed in a manner that would most likely achieve the majority of the AACT's objectives and community benefits.

The full analysis is available in Appendix I.

The SWOT analysis concludes that Zone 2, being a blend of different building types and landscape characters, offers the widest range of opportunities for community-led development and community benefit.



## 6 Appraising options for community-led development

In order to assess how a strategy could accommodate high levels of community benefit, but also present a viable model for the whole site, a micro study was undertaken to assess the development deficit of different community orientated approaches relating to one part of the site. Following the site character appraisal and SWOT analysis outlined in Section 4, three detailed options were reviewed in relation to Zone 2. This portion of the site contained a mixture of the different aspects of the built and landscape character across the wider site and is typical of the whole site's average development density.

The high development potential, and therefore likely high cost, of a typical part of the site would result in a large development deficit if ownership of the green infrastructure alone, or in combination with a low-density development consisting largely of community facilities, was proposed.

The different scenarios that were modelled for Zone 2 presented different priorities in terms of the reuse of existing buildings and retention of open green space. 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 for zone 2 were as follows (note that these scenarios are different from those applied to the whole-site review in section 7):

Scenario i.	A baseline market-led study for comparison purposes
Scenario ii.	A community-led development of Zone 2 prioritising re-use, and green space
Scenario iii.	A higher density community-led development of Zone 2 incorporating additional commercial/housing elements.

### 6.1 Key design drivers for the community-led development – scenarios ii & iii above

A number of key design drivers were developed in-line with the AACT Vision statement to generate a range of community benefits.

#### 6.1.1 Nature & greenspace

A key generator for a range of community benefits involves maximising access to the natural environment for educational use, skills training, food growing and recreation. Site strategies explored varying mixtures of the following programme elements. It was recognised that 'green space' and 'nature' are often loosely used terms and that it was essential to be specific about their myriad functions. A variety of linked landscape types are proposed: spaces to encourage biodiversity and wildlife, spaces for play and recreation, parkland and ornamental gardens, low and higher yield productive landscapes for cultivation.

- Community gardens: allotments, orchards, Physic garden, foraging, beekeeping, forestry, arboretum
- Sport
- Play
- Outdoor learning
- Environmental art; permanent and temporary projects
- Woodland – wild
- Land management skills and training
- Botanical research and education – form links with Royal Botanic Gardens of Scotland

### 6.1.2 An exemplar model of environmentally sustainable development

Reducing energy costs and creating a pioneering development for the community that strives toward the UK's 2030 emission targets. A holistic approach of embedding low energy and low carbon principles throughout all aspects of the development. This involves first utilising the site's existing assets: a stock of existing buildings for re-use, a relatively unobstructed south facing aspect, a variety of existing 'ecosystem services', and trees for shading and groundwater absorption. Further to this, new infrastructure buildings will be organised around passive design principles. Opportunities will be incorporated for localised energy production and the incorporation of future renewable technologies.

- Prioritising building re-use where possible.
- A limited car development utilising shared electric car-pools.
- On site energy generation and shared energy and heating distribution.
- Optimised new build orientation and design for winter solar gain and summer cooling.
- Passive / carbon neutral construction techniques.
- Recycling of heat, water and a where possible closed-loop waste facilities.

### 6.1.3 Homes

An ambition to provide more low-cost, climate-led housing through community-owned development, and housing provision for e.g. key workers, to balance market driven private developer residential development. Community ownership will allow a greater level of detailed assessment of need and higher levels of provision than the affordable housing ratios required by the Local Authority.

- Community-led housing
- Co-operative housing / Co-housing
- Supported independent living and care homes
- Intergenerational living
- Highly adaptable housing
- Housing linked to productive green space



#### **6.1.4 Community hub**

A response to the high demand for community spaces in the area.

- Creative / Arts: Gallery space, lettable studio space, performance and event space, art therapy & music recording studios
- Enterprise: crafts/maker centre, workshops
- Gathering space
- Café / Restaurant
- Guest accommodation

#### **6.1.5 Health and wellbeing**

Community-led and community-based modes of delivering better health outcomes.

- NHS well-being agencies
- Patient respite facilities
- Therapeutic treatment
- Hospice
- Carers' centre
- Occupational Therapy
- Community gardens: Membership and volunteer models offering opportunities to grow food, build communities and promote active lifestyles; the garden teams could run regular events, workshops and courses

#### **6.1.6 Outdoor learning, recreation, and access**

An expansion of the existing provision using more of the available green space.

- Paths & routes: walking, cycling, wheelchair accessible, safe routes, interpretive wayfinding
- Outdoor play, bike trails, camping, adventure play, skateboarding
- Leisure pool
- Forest School

## 6.2 Scenario i. Baseline market-led development for comparison purposes

This scenario illustrates how a market-led development might use the zone, prioritising high-end private residential development replacement new builds on the Millbank Pavilion and Balfour building sites.

Blocks generally occupy the footprints of existing and former building plots

Potentially surface parking in inner courts  
Site level change/  
embankment

Relatively urban typology. Four storey tenemental blocks shown here, but could also be town houses or Edinburgh 'colony' type dwellings



Two Listed building are subdivided and converted to residential use

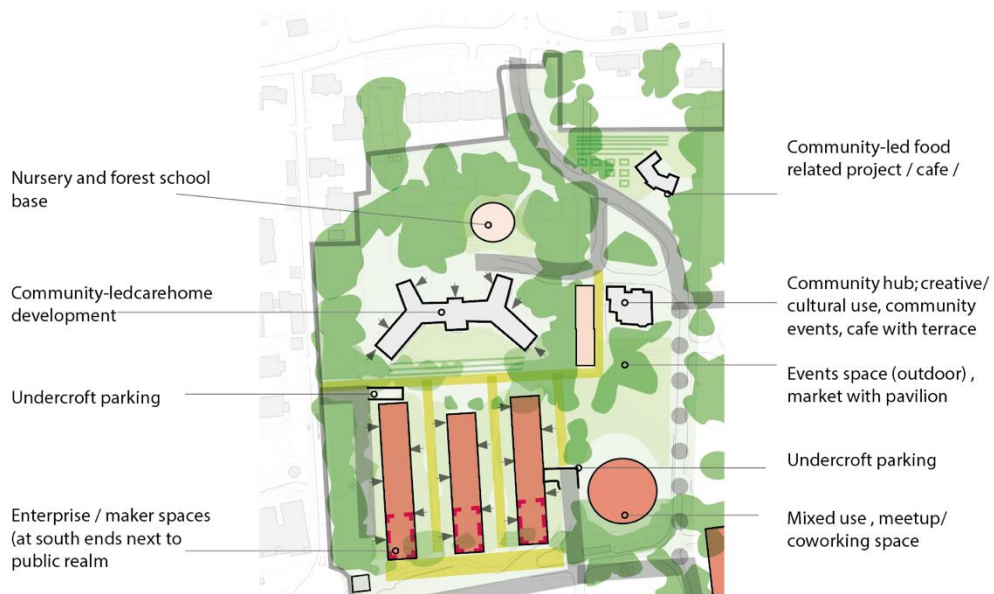
'Object' building, majority commercial use, on existing car park site. Part of series of villa-like buildings in this north south linear park.



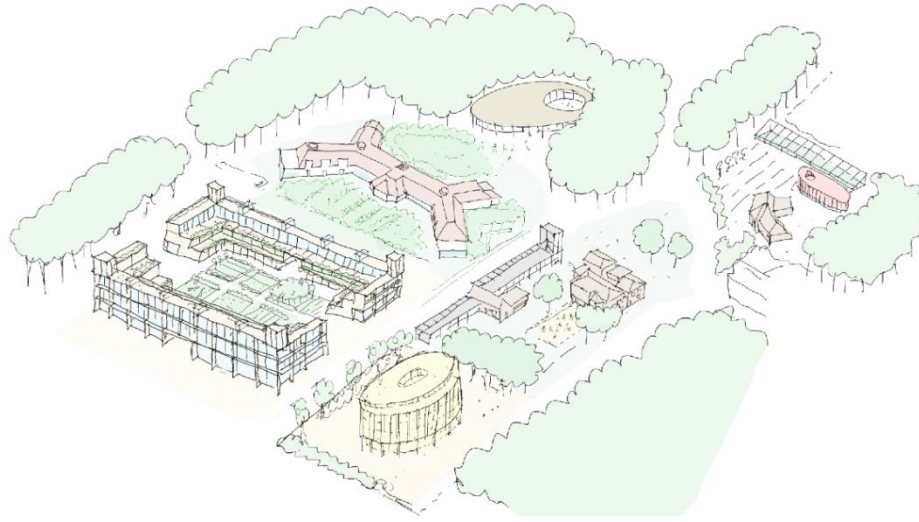
### 6.3 Scenario ii. A community-led development prioritising re-use and green space

This could include:

- A new community hub and creative cluster within Canaan House and its grounds.
- A new forest school, nursery and community garden hub to the north of the site.
- The Milbank Pavilion could be developed into a care home, or community-led intergenerational care facility.
- An innovative 'flagship' community-led housing development including co-operative housing or co-housing mixed with affordable key-worker family homes, or live/work studios could occupy the zone currently occupied by the Balfour building. Ground floor areas could incorporate maker spaces and a creative enterprise cluster.
- A new community and enterprise innovation building with co-working space could be located on the site of the former car park. This landmark building would sit at the centre of the site as part of a new landscape core extending across the site.
- Wilder woodland perimeters are preserved to encourage biodiversity around the edge of the site and prevent damage to the existing ecosystem.
- Collectively accessible land is provided for an urban agriculture project at the north of the site.
- Semi-private allotments are provided around the new care and residential buildings.
- Existing parkland and specimen trees are retained around Canaan house.
- A mixture of shared and private recreational gardens between and over the existing buildings are provided.
- Community-led residential development on the existing Balfour Pavilion site
  - Diversifying housing tenure
  - Demonstrating best practice in carbon reduction setting high environmental target including Passive House standard
    - High performance building envelope design
    - Demonstrating innovation in sustainable methods of construction including possibility of extensive off-site manufacture and use of timber
    - Responsible specification of construction materials



Variant 1 – North–south orientated blocks permit greatest solar access to shared gardens / allotments set between and gives residents both east (morning) and west (afternoon) sunny aspects. Generous balconies facing east/west. Maker spaces and cafes in double height ends with apartments above, face south.



Variant 2 – Perimeter block with shared garden spaces set between. Terraced balconies and shared central gardens.

6.4 Scenario iii. A higher housing density community-led development incorporating additional commercial/housing elements.



## 6.5 Zone 2: Comparing the social, environmental and financial outcomes

Indicative modelling for the economic return on the three Scenarios above demonstrates the opportunity cost of including social and environmental objectives on a potential prime private-housing site.

	Scenario i	Scenario ii	Scenario iii
<b>Approach</b>	<b>Market-led maximising economic returns</b>	<b>Prioritising Re-use and Greenspace</b>	<b>Higher density focus on accessible housing</b>
<b>Residential m2</b>	24,834	14,454	18,919
<b>Number of units</b>	200	118	232
<b>Non-residential m2</b>	4,967	2,891	5,169
<b>Land cost £1.1m / ha</b>	£4.6M	£4.6M	£4.6M
<b>Total development cost</b>	£72M	£41M	£65M
<b>Sale value of units</b>	£83.2M	£48.1M	£74.0M
<b>Developer profit</b>	<b>£6.6M</b>	<b>£2.1M</b>	<b>£4.2M</b>

In making choices and decisions about the preferred development objectives for Zone 2, it is necessary to consider the desired outcomes and the necessary success factors to bring these about. For this, we use an Outcomes and Outputs Matrix.

The Outcomes and Outputs Matrix sets out the vision and objectives of the alternative scenarios for Zone 2 and assesses them subjectively against the financial, social and environmental benefits that they deliver. The section titled “Outcomes” summarizes how each scenario delivers to the community and social outcomes set out in the Community Vision and describes how people feel about living in their community.

These echo the Scottish Government’s objectives set out in the National Performance Framework for Communities, over.



We live in communities  
that are inclusive,  
empowered, resilient  
and safe

#### **“Vision**

Our communities are pleasant places to live where everyone has a warm, appropriate, efficient and affordable home. We value excellent and innovative design and are committed to sustainable planning and transport. We believe that access to greenspace, nature and other leisure activities positively enhances our lives and health. We have high quality, affordable and accessible public services and facilities that positively enhance our lives. We focus our investment on deprived communities and disadvantaged rural areas. We live in friendly, vibrant and cohesive communities which value diversity and support those in need. We are encouraged to volunteer, take responsibility for our community and engage with decisions about it. Our communities are resilient, safe and have low levels of crime.

Our older people are happy and fulfilled and Scotland is seen as the best place in the world to grow older. We are careful to ensure no-one is isolated, lonely or lives in poverty or poor housing. We respect the desire to live independently and provide the necessary support to do so where possible. We recognise that older people have particular needs around financial advice, mobility and transport, home improvements, heating, technology and the internet which require additional support.”

The section titled **“Output measures”** provide a basis for measuring whether people have access to the opportunities which will help them to feel good about living in a friendly, vibrant and cohesive community. These are proxy indicators; if these opportunities exist, it is more probable that people will feel good about living and working in their community.

For **Outcomes and Outputs**, the scenarios are given a broad-brush assessment about how, comparatively, they are aimed to deliver on the outcomes by providing the opportunities measured by the outputs. These are given a comparative ranking of High, Medium or Low. Where the design scenario has very little likelihood of enabling a particular output, no score is given at all.



		Zone 2 Scenario i	Zone 2 Scenario ii	Zone 2 Scenario iii
Strategy	Characteristic	Market-led private / affordable housing development	Community development Re-use and Greenspace: Buildings for community interaction; inclusive housing	Community development Accessible housing focus; Buildings for community interaction; productive greenspace
	Site vision	Maximise private housing opportunity within planning constraints; affordable housing at 25% of units	A place to meet and to access wellbeing activities and services; central Edinburgh housing for groups otherwise priced out	A place to meet and to access wellbeing activities and services; central Edinburgh housing for groups otherwise priced out; Long-term sustainability and social benefits through mixed private / social housing
Benefits	Improves health and wellbeing	25% affordable and supported housing to improve health and wellbeing of vulnerable and previously housing-deprived residents Retains access to required and protected elements of greenspace	A destination location, with community activity to support and maintain the asset Opportunities for social and leisure uses for the immediate community and more widely; may encourage "destination" access Community "hub" to increase cohesion and sense of place Productive use of significant greenspace enhancing ecosystems and environment	Maintains greenspace for immediate community use Potential for some productive use of greenspace without burden of maintaining significant green asset Retains community hub approach Creates economically mixed neighbourhood with social benefits for all residents
	Community confidence & self-determination	A housing asset meeting Edinburgh's private and affordable housing targets	Management of a community built and green asset with opportunities to volunteer, manage and influence	Management of a community built and green asset with opportunities to volunteer, manage and influence; more likely to be financially self sustainable
	Addressing social exclusion and deprivation	25% affordable and supported housing	Intergenerational facility bringing people together Co-housing, key worker homes, maker spaces, work studios / enterprise building improving access to local jobs	Intergenerational facility bringing people together Co-housing, key worker homes, maker spaces, work studios / enterprise building improving access to local jobs
	Public interest - retaining a community asset in community ownership		Creating a new community model in the heart of Edinburgh promoting wellbeing for all, meeting the original Trust wishes	Creating a new community model in the heart of Edinburgh promoting wellbeing for all, meeting the original Trust wishes
Outcomes	Feeling included (not feeling isolated)		H	H
	Enjoy living in my community	L	H	M
	Greenspace and leisure in my community improve my wellbeing	L	H	M
	There are quality jobs and fair work in my community		H	H
	Have an impact on the decisions which most affect me		H	H
Output measures	Access to volunteering opportunities		H	M
	Access to green spaces, social and play areas	L	H	M
	Access to stimulation / learning / wellbeing activities		H	H
	Access to safe, warm and appropriate housing	L	M	H
	Access to sustainable living (local jobs, active travel, sustainable housing)	L	M	H
Critical Success Factors	Financial sustainability (income generation for asset maintenance)	H	L	M
	Investment capital	H	M	H
	Social sustainability (retaining community engagement in the medium to long term)	L	H	H
	Community group capability	L	H	H
	Partnering with others	L	M	H
	Risk appetite - of funders, stakeholders, community	L	M	H

For example, Scenario i (market-led private housing) will have a lower output of green space and social areas than Scenario ii which has a lower number of housing units and a greater area of greenspace, with some built environment for socialising. Scenario iii will have less access to greenspace than Scenario ii as more of the land is developed for housing; however, in both Scenario ii and iii, community-led social areas provide access to learning and wellbeing activities that is not present in market-led private housing.

The balance between Scenario ii (focus on re-use and productive greenspace) and Scenario iii (focus on both private and affordable / accessible housing, albeit with the private housing aimed at mid-market) is demonstrated by outputs and outcomes relating to greenspace and access to housing. Scenario ii delivers more in terms of greenspace and overall living enjoyment but does not score as well on access to housing, as it provides fewer homes.

Understanding which vision delivers best for outcomes and outputs must be balanced against the inputs required to deliver that vision. The section in the assessment matrix table above titled “critical success factors” sets out what will be required, comparatively, to realise these visions.

For example, as Scenario iii envisages private housing – of whatever tenure – this is more likely to deliver financial sustainability than Scenario ii, where the majority of housing is affordable / accessible, and therefore not assumed to deliver such high financial returns to support the rest of the site infrastructure. The financial models are shown in detail at the beginning of Section 6.5 and set out the likely levels of return to the level of investment. Scenario i and iii, with higher levels of build, require a higher initial capital investment than scenario ii.

Scenarios ii and iii, while delivering a high potential level of social and environmental benefit, also require social commitment in the medium to long term, with the community body required to have significant capability (skills, time, and access to support) to be able to deliver and to sustain the vision. These scenarios also build in partnerships with other organisations, including City of Edinburgh Council, housing associations and like-minded private housing providers to help ensure delivery of the vision. For Scenario i this can be delivered by the private sector alone.

The final assessment is about tolerance of risk. It is much less risky – because a more frequently-applied solution – to have a private sector operator deliver private housing than it is to embark on a community-led vision with a triple-bottom-line approach which balances financial, social and environmental returns. The community’s key stakeholders must share and support the vision, including its inherent risks, for either Scenario ii or iii to succeed.

The Outcomes, Outputs and CSF matrix for these three Scenarios are summarised against this triple-bottom-line approach, below, showing the comparative ranking (high, medium, low) for each criterion. It is emphasised again that these are subjective and comparative rather than absolute measures.

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

## 7 Strategies for a community-led development of the whole Astley Ainslie site

Also refer to Appendices I, III, IV and VI

As illustrated by section 6, the high development potential, and likely high cost, of a typical part of the site would result in a large development deficit if a low-density development consisting largely of community facilities was proposed. It was acknowledged that a complementary mixture of community and commercial facilities would provide a more feasible model for the development of the wider site.

In order to establish a viable model for the community-led development of the whole site an appraisal was undertaken in relation to three scenarios (which differ from the scenarios modelled for Zone 2 in section 6):

**A baseline scenario**, for comparison purposes, indicative of market-led development, based on maximising development value within planning constraints. This model is used as a basis for establishing which areas of the site are of the highest value set against the existing constraints.

**A green infrastructure only scenario** would involve the community 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.

**A balanced scenario** of community ownership of the site where the uses of the site are balanced between community and social benefits rather than a profit-maximisation approach. The financial “deficit” compared to the baseline model indicates the economic cost of delivering the social benefits and provides a justification for social investment.

### 7.1 Baseline scenario – a market-led model

The baseline was subject to the constraints upon the existing site (see Appendix III) in relation to listed buildings, trees and topography, surrounding properties and vehicle access. The proposed development was based on recent market housing typologies in the immediate vicinity of the site (such as Woodcroft). Further detailed studies and consultations would be required to validate aspects of this analysis.

Key points:

- 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.



Mixed use townhouse / flats

Tenements, colony house typologies

These development models are estimated to deliver the following residential and non-residential capacities. The non-residential outcomes are assumed at 20% of the total developable area.

	Mixed use Townhouse / flats	Tenements, colony house
Residential m2	102,503	111,441
Number of units	Up to 850	Up to 900
Non-residential m2	21,192	22,288
Land cost	£21M	£21M
Total development cost	£304M	£321M
Sale value of units	£378.5M	£373.6M
Developer profit	£53.5m	£31.6M

These numbers of dwellings should be seen in the context of the City of Edinburgh Council’s City Plan 2030 – Housing Study January 2020. A key outcome of the City Plan is to achieve a city in which everyone lives in a home which they can afford. The Plan identified a target of 22,600 units of market housing and 20,800 units of affordable housing for the period from 2019-2030. The units set out above would deliver 2% of the target.

These models deliver housing in excess of the indicated targets for the Astley Ainslie site, set out in the City Plan as 500 homes (See section 8).

These models include an assumption that 25% of the residential unit area would be reserved for affordable housing; this is the current requirement and not the 35% requirement proposed in the City Plan 2030.

## 7.2 Green infrastructure only scenario

This approach would involve the community 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:

- This principally involves the community purchase of substantial area of green space.
- Delivers community benefits – an active and productive landscape.
- Creates 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.



## 7.3 Balanced scenario: Community-led development options

The balanced scenario focuses on delivering a triple-bottom-line approach to developing the site, where economic benefits are balanced by social and environmental considerations. This approach is less likely to attract commercial development for the whole site; however, a balance is required to ensure overall economic viability. This requires a mixed approach which this report offers by considering differential development in different Zones.

Key points:

- 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
- Requires partnering with like-minded developers for access to capital
- Requires significant investment in community's capacity

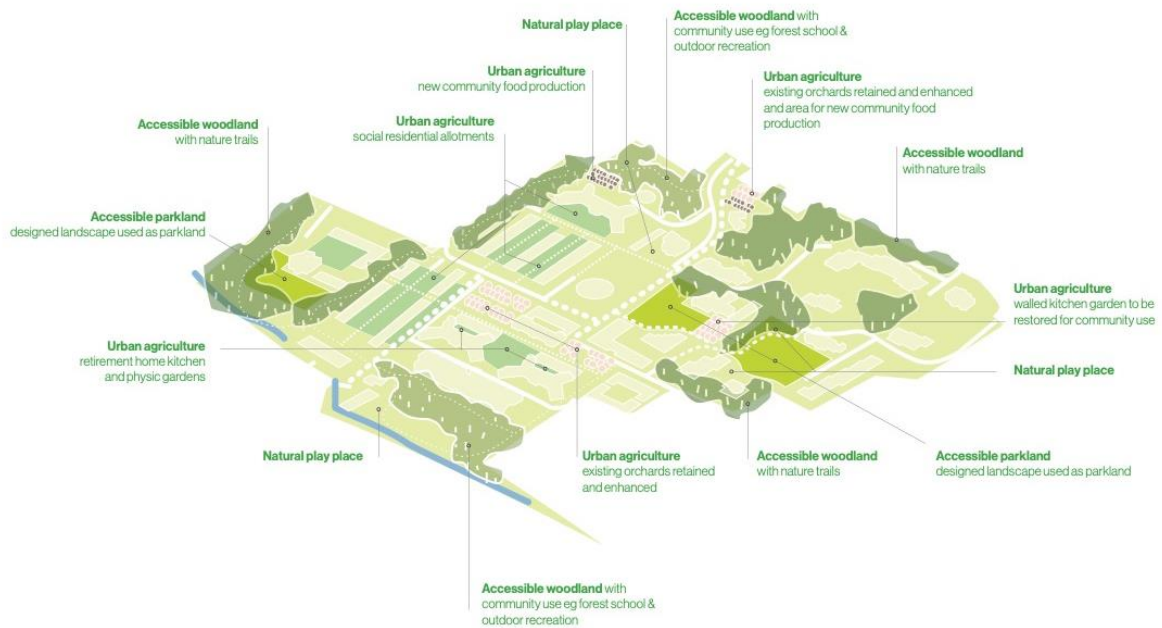
### 7.3.1 A landscape-led spatial framework for the whole site

A 'landscape core' needs to be defined to connect the various zones, facilitate pedestrian orientation and provide structure to any development. This landscape core can allow existing areas of open spaces and valuable tree planting to remain, forming principal north-to-south and east-to-west links across the estate. These routes diffuse into less defined existing and new natural interventions that can retain the sense of the site as a patchwork of differentiated but interconnected landscapes. The principle is to retain the fundamental landscape structure and combine it with a selection of the existing buildings to create a core of open spaces and central amenity reinforcing the site character. Areas of woodland and biodiversity are preserved and enhanced, retained around the northern, western and southern boundaries. Productive landscapes are located in public areas but also semi-private areas. Two intensive gardens / permaculture zones could be located within the existing walled garden and the existing northern orchard area. In addition, open landscaped areas are also created for recreation and outdoor play toward the centre of the site.

The main objective is to retain the landscape qualities of the site and to establish a network of landscape which can accommodate development within its existing structure. The ongoing management of the landscape once this outcome is achieved falls within three distinct zones:

1. Landscape core and principal amenity spaces
2. Perimeter screen and structure woodland
3. Private/semi-private landscape spaces and trees within the five development zones.

Various management models would maintain the quality of the landscape and open spaces throughout the estate. Each proposed model has risks and opportunities which differ from the others. There may be some conflict between maximising legibility and minimising tree planting legacy.



### Single Accountability

In order to maximise the legibility of the landscape within the estate and to ensure its long-term establishment, health and retention, one would look to maintaining all the landscape within the three zones above within the same single accountable organisation. In this model all the landscape will be developed and managed to a prescribed plan enabling a long-term legacy to be established. The development parcels will pay a factoring fee to the single organisation for ongoing maintenance. Therefore, the advantage to this model is the continued and consistent establishment of the estate under a single stewardship.

### Shared Responsibility

Relinquishing responsibility of the development parcel maintenance carries a risk that the essence of the landscape structure may become eroded over time as different areas of the estate are managed in different ways under varying ownership. Over time the structure may become fragmented and separated into individual parcels. The strength of the original landscape structure will be testament as to how obvious this difference reveals itself. A strong landscape framework will tie all the sites together and hold poorly managed sites discreetly. Therefore, the shared model can be successful if the landscape framework is in place at the start of the development. Under this model the private landscape around new or retained developed buildings will be factored to separate management teams. The advantage to this model is that large areas of the landscape are relinquished from the community ownership and responsibility.



## An example of a mixed approach to the whole site

With community-led development of Zone 2 secured, other zones could develop developed privately with different, some more market-led development models, under constraints managed through the council's forthcoming Place Brief, informed by future community input. This relies on dialogue with future zone owners and continued dialogue with the planning team and adherence to principles written into the Place Brief.

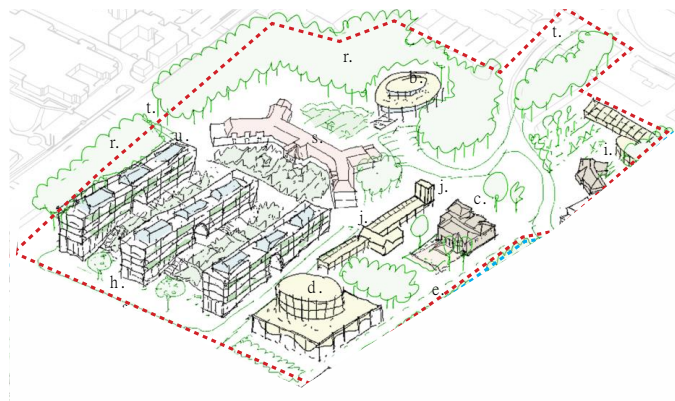
The indicative site plan below summaries one example scenario where the rest of the site beyond zone 2 is shown occupied with new uses in numerous retained buildings, leaving significant areas of accessible protected green space.



## 7.4 Zonal Strategies in detail.

### 7.4.1 Community-led development – core.

Zone 2 would form the core of the community development. This could include a new community hub and creative cluster within Canaan House and its grounds, a new forest school, nursery and community garden hub to the north of the site. The Milbank Pavilion could be developed into a care home, or community-led intergenerational care facility. An innovative ‘flagship’ community-led housing development including co-operative housing or co-housing integrating affordable key-worker family homes, or live-work studios could occupy the area currently occupied by the Balfour building. Ground floor areas could incorporate ‘maker’ spaces and a creative enterprise cluster. A new community and enterprise innovation building with co-working space could be located on the site of the former car park. This landmark building would sit at the centre of the site as part of a new landscape core extending across the site. (Refer to section 6 for detailed analysis of Zone 2).

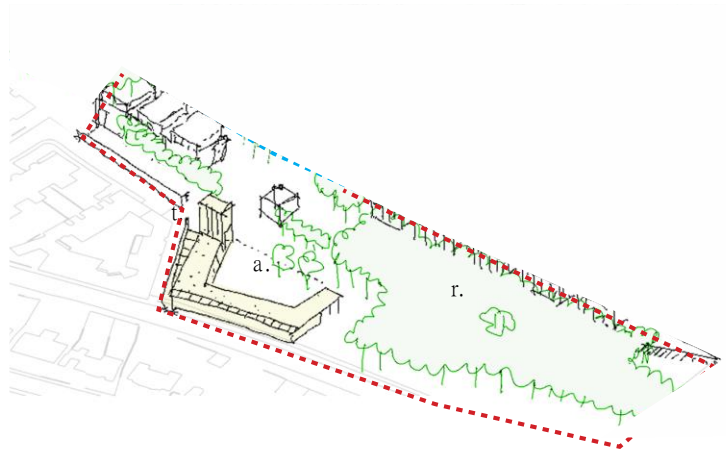


- b. Forest school / intergenerational education building
- c. Community Hub and garden
- d. Mixed use commercial/ community / enterprise building
- h. Community-led housing.
- i. Nursery/ adult education allotment project/ kitchen garden.
- j. New arts centre and creative studios (leased).
- r. Community woodland
- t. Vehicle access to the site
- u. underground parking access

See also Appendix IV

### 7.4.2 Community-led development – nature.

Zone 5 is the lowest commercial-value portion of the site, constrained by the topography, services, access and trees. A new creative studio / workshop building / forest school and/or outdoor gym could be located in this area in addition to a small co-operative/co-housing development

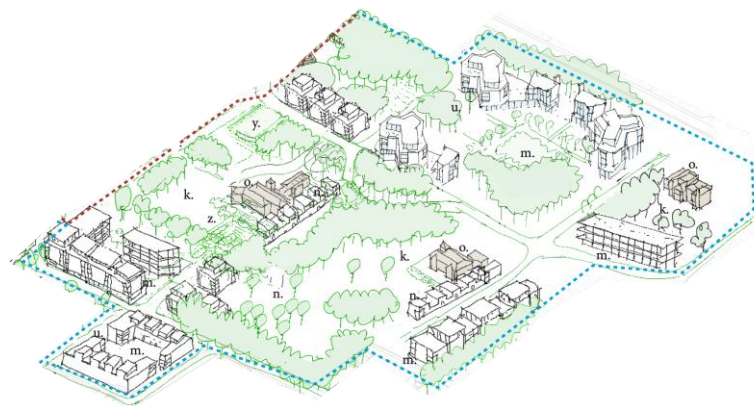


- k. New creative/enterprise workshops of forest school
- r. Community woodland and 'Free the Burn'

See also Appendix IV

### 7.4.3 Zone for market-led residential development

Zones 1 and 3 could consist of new market housing, flatted, mews with new townhouses set amidst the mature landscape setting. Listed villas would be subdivided into generous private properties.



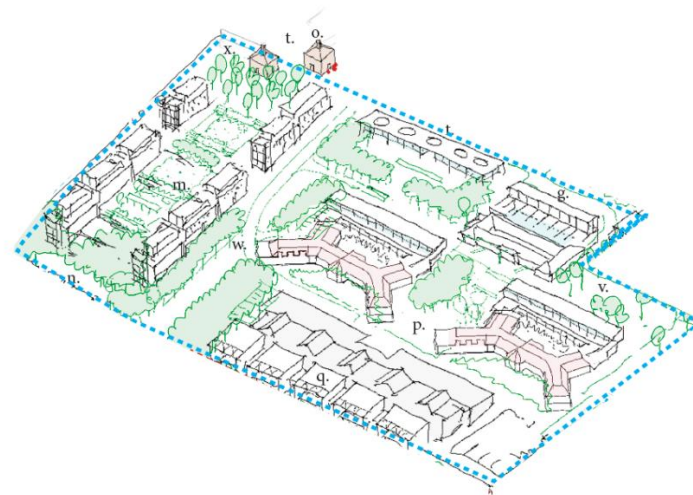
- k. Existing garden settings retained.
- m. Private residential apartments
- o. Residential conversion
- y. New communal open space
- z. Walled garden restored; health and community garden project.

See also Appendix IV

#### 7.4.4 Zone for mixed economy health & well-being village.

The central portion (Zone 4) could form a new mixed-use health and wellbeing village involving a range of stakeholders (part community / NHS led, part private health and well-being / appropriate homes), and including leisure facilities. This could involve the reuse of some of the existing purpose-built healthcare buildings supplemented by new extensions. The core of the site would include new commercial/retail uses.

Retirement and new forms of supported housing could occupy the former butterfly wards



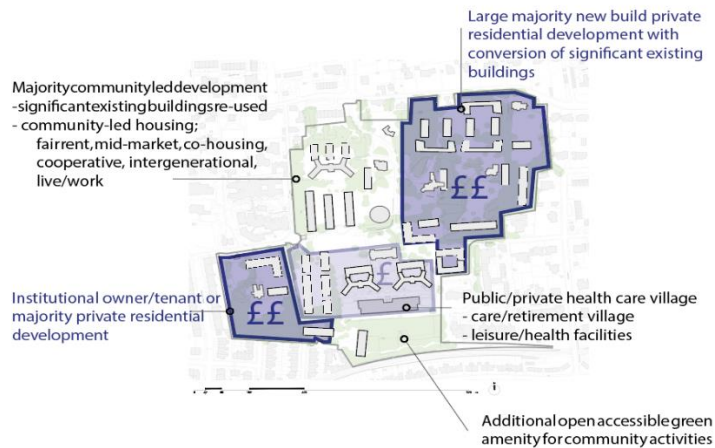
- g. New leisure building
- m. Private residential apartments
- o. Residential conversion
- p. Healthcare village
- t. Vehicle access to the site
- x. Specimen trees retained
- v. War memorial and cedar trees retained
- w. Views to Blackford Hill

See also Appendix IV

#### 7.5 Financial Appraisal

The area of the site with the highest land value is the central portion of the site (Zone 4) (analysis in Appendix III and IV). It has significant potential for large scale re-development within a zone of low landscape or heritage significance. Zones 1 and 3 to the west and north-east were assessed as offering the second highest development returns per hectare, albeit both heavily constrained by existing features. These zones were seen as an opportunity to implement commercial density developments. The economic gain and residential density offered by housing-led development of Zones 1 and 3 helps deliver a return to social / community investors – necessary for any financing – while ensuring that the community's ambitions are maximised in Zones 2 and 5.

This approach trades off gains from private & commercial-focussed development to benefit targeted community-led development & activity objectives



	Zone 1	Zone 2	Zone 3	Zone 4	Zone 5	
<b>Approach</b>	<b>Higher density delivering economic returns</b>	<b>Community Development Core</b>	<b>Higher density delivering economic returns</b>	<b>Mixed use health and wellbeing "village"</b>	<b>Accessible green space for social and environmental benefit</b>	<b>Total site</b>
<b>Residential m2</b>	6,310	14,454	32,428	24,245	0	77,438
<b>Number of units</b>	52	118	261	200	0	631
<b>Non-residential m2</b>	1,262	4,967	6,486	4,849	0	17,564
<b>Land cost £1.1m / ha</b>	£2.5M	£4.6M	£7.6M	£5.6M	£0.5M	£21M
<b>Total development cost</b>	£18M	£41M	£93M	£69M	£0.5M	£222M
<b>Sale value of units</b>	£22.5M	£48.1M	£108.7M	£80.7M	0	£260M
<b>Developer profit</b>	<b>£2.0M</b>	<b>£2.1M</b>	<b>£8.1M</b>	<b>£5.7m</b>	<b>£(1.0)M</b>	<b>£17M</b>

These indicative values demonstrate a reduction in potential return of between £15m and £37m compared to the baseline model. From a community-led development perspective, the returns of 7% on development cost are above those required for social investment monies and would allow for longer-term returns from rental rather than an assumption of development and sale.

## 7.6 Balancing social, environmental and financial outcomes: a triple-bottom-line approach

This section applies the Outcomes and Outputs methodology and assessment applied in the scenario comparisons, to the proposed balances of uses above.

The Outcomes and Outputs Matrix sets out the vision and objectives of the balance of the zones across the whole site, set out in the section above. It assesses them subjectively against the financial, social and environmental benefits that they deliver. Again, the section titled “**Outcomes**” summarizes how each scenario delivers to the community and social outcomes set out in the Community Vision, and describes how people **feel** about living in their community.

The section titled “**Output measures**” provides a basis for measuring whether people have access to the opportunities which will help them to feel good about living in a friendly, vibrant and cohesive community. These are proxy indicators; if these opportunities exist, it is more probable that people will feel good about living and working in their community.

For **Outcomes and Outputs**, the scenarios are given a broad-brush assessment about how, comparatively, they are aimed to deliver on the outcomes by providing the opportunities measured by the outputs. These are given a comparative ranking of High, Medium or Low. Where the design scenario has very little likelihood of enabling a particular output, no score is given at all.

Rather than comparing one scenario against another, as was done for Zone 2’s three scenarios, this Matrix demonstrates how different objectives for different part of the site deliver an overall balance of the financial, social and environmental objectives.

The emphasis on private housing development in Zones 1 and 3 delivers much-needed housing in the private sector, but also generates a financial return which – if embedded appropriately in ownership conditions – will enable a continuing return to help support the other aims in other zones of the site.

Minimal development in Zone 5 provides a place of escape into a green asset, one where there is the potential for a mix of green space uses, from production to ecosystem services, creating a substantial contribution to people being able to volunteer outdoors, to access green spaces, and thereby to improve their wellbeing. While this requires ongoing community commitment and capability, it requires less financial support and investment than other Zone options.

The blended approach to Zone 2 has been described more fully above, with the higher-density scenario iii portrayed here. The greenspace reduced by increased housing and financial viability (compared to scenario ii) is balanced by the access to greenspace in Zone 5.

Zone 4 is the most ambitious of the zones, reflected in the comparative requirement of high risk tolerance in funders, stakeholders and the community. Whereas community-led housing and community / housing partnerships are well-established in community development, there are few – if any – partnerships between the private sector, the public sector and communities to deliver substantial infrastructure in health and wellbeing.

The Scottish Government's Community Vision includes, "Our older people are happy and fulfilled and Scotland is seen as the best place in the world to grow older. We respect the desire to live independently and provide the necessary support to do so where possible...". Creating a place where people of all ages who require additional support to live safely and well, was an inherent part of the motivation for the gift from David Ainslie. The uses for the site in the recent past continued to reflect this legacy. The creation of the health and wellbeing village is a vision to retain community-led provision of wellbeing services in this historic site.

		Zone 2	Zones 1,3	Zone 4	Zone 5
Strategy	Characteristic	Community development core	Mainly Residential use: Private housing with 25% affordable housing	Mixed-economy health and wellbeing "village"	Nature and greenspace for social and environmental benefit
	Site vision	A place to meet and to access wellbeing activities and services; central Edinburgh housing for groups otherwise priced out; Long-term sustainability and social benefits through mixed private / social housing	High quality private homes in villa apartment buildings; conversion of existing buildings	Inclusive community-based support for vulnerable people and those with unmet housing needs Health and wellbeing facility for use of local and wider community; opportunities for informal socialising	A green ecosystem island in the heart of Edinburgh providing access and enjoyment to the local community
Benefits	Improves health and wellbeing	Maintains greenspace for immediate community use Potential for some productive use of greenspace without burden of maintaining significant green asset Retains community hub approach Creates economically mixed neighbourhood with social benefits for all residents	25% affordable and supported housing to improve health and wellbeing of vulnerable residents	Affordable and supported housing to improve health and wellbeing of vulnerable and previously housing-deprived residents Opportunities for informal socialising	A contemplative and active space for all, with community activity to support and maintain the asset
	Community confidence & self-determination	Management of a community built and green asset with opportunities to volunteer, manage and influence; more likely to be financially self sustainable	Real burden or other agreement to enable community to fund and manage community assets	Management of community-owned built and green assets, working in partnership with a housing association a housing asset focussing on supported and affordable housing in the city centre	A place for the community to demonstrate its connectivity to nature in the heart of the urban environment
	Addressing social exclusion and deprivation	Intergenerational facility bringing people together Co-housing, key worker homes, maker spaces, work studios / enterprise building improving access to local jobs	Mixed social and economic groups	Access for a greater number of residents including those from a more economically deprived background	Fully accessible to people in walking distance; may encourage "destination" access
	Public interest - retaining a community asset in community ownership	Creating a new community model in the heart of Edinburgh promoting wellbeing for all, meeting the original AA Trust wishes	Housing is 75% private ownership, 25% housing associations; communal green assets owned by community	Mixed economy delivering a range of social benefits; community retaining overall vision and ownership of green and some built assets	Ownership and management of a green asset providing health and wellbeing "close to nature"
Outcomes	Feeling included (not feeling isolated)	H	L	H	M
	Enjoy living in my community	H	L	M	M
	Greenspace and leisure in my community improve my wellbeing	M	L	M	M
	There are quality jobs and fair work in my community Have an impact on the decisions which most affect me	H H		H H	 L
Output measures	Access to volunteering opportunities	M	L	M	H
	Access to green spaces, social and play areas	M	L	M	H
	Access to stimulation / learning / wellbeing activities	H	L	H	M
	Access to safe, warm and appropriate housing Access to sustainable living (local jobs, active travel, sustainable housing)	H H	L	H M	
Critical Success Factors	Financial sustainability (income generation for asset maintenance)	M	H	M	L
	Investment capital	H	H	H	L
	Social sustainability (retaining community engagement in the medium to long term)	H	L	H	M
	Community group capability	H	L	H	M
	Partnering with others	H	H	H	L
	Risk appetite - of funders, stakeholders, community	M	M	H	L



The Outcomes, Outputs and CSF matrix for these Zone visions are summarised against the triple-bottom-line approach, below. It is emphasised again that these are subjective and comparative rather than absolute measures.

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

The matrix demonstrates how the three overall objectives – financial, social and cultural – are given different emphases across the whole site. Although a Zonal approach has been taken to describing the various parts, it is evident that the totality of development and the mix of uses enables a significant level of community benefit – particularly compared to a market-led approach.

## Potential visions for Astley Ainslie former hospital site



A mixture of family housing and retirement homes / supported accommodation within a 'village' environment



A mix of ground level live/work units two storey family townhouses. Upper levels with greenspaces and views facing toward the south and west. An intimately scaled streetscape with places to meet and share outdoors.



Spaces between buildings. Potentially shared areas for cultivation and biodiversity. This could extend to green spaces on balconies and rooftops and promote sociability. Maker spaces could occupy parts of ground floor in higher footfall areas.

## 8 Governance and finance models

The Astley Ainslie site provides a unique opportunity for community-led development that is analogous to community-led town centre regeneration, but without some of the key challenges in town centre regeneration. At this site, community-led development provides an opportunity for delivering aspirations for affordable, appropriate and accessible housing and social infrastructure within a large urban area, preserving the spirit of David Ainslie's bequest in providing wellbeing for society – rather than ceding part of the common weal to the private sector, fragmented ownership, and inevitably at best tolerance of social use.

The development strategies for the Astley Ainslie site in this report draw on evidence and best practice, putting into place key success factors for designing and delivering regeneration. Delivering the Vision will require an integrated, collaborative and participative approach across the third, public, and private sectors. It will require delivery of the Place Principle, which recognises that:

- Place is where people, location and resources combine to create a sense of identity and purpose and is at the heart of addressing the needs and realising the full potential of communities. Places are shaped by the way resources, services and assets are directed and used by the people who live and invest in them.
- A more joined-up, collaborative, and participative approach to services, land and buildings, across all sectors within a place, enables better outcomes for everyone and increased opportunities for people and communities to shape their own lives.

Delivering this Principle in the Astley Ainslie requires key success factors to be in place, as identified by the Scottish Government's "Achieving a Sustainable Future: Regeneration Strategy":

**Strong leadership.** The driver for this is a community-led group, which has developed its Vision through effective partnership working across the private, public and third sectors, pulling together a range of stakeholders and desired outcomes;

**Putting communities first.** The evidence of community needs and benefits from a repurposed Astley Ainslie site are based on extensive community engagement and the proposals are community-led;

**Holistic,** bringing together people, place and prosperity. The Vision proposed increased community infrastructure with a focus on arts, health and wellbeing, and affordable and appropriate housing set in an enhanced public realm with economic activity and jobs.

Imagining community-led development of a significant and prestigious site like the Astley Ainslie will require an alternative model for governance and funding which:

- Holds the Vision for the site;
- Continually balances three triple-bottom-line objectives: social, economic and environmental;
- Is accountable to its community;
- Has strong governance over the site's development;
- Retains an ongoing share of development returns to ensure that the common assets of the site – which help deliver the social and environmental benefits, and therefore add to its economic value – are maintained and enhanced.

Community-led development of the Astley Ainslie site will stretch existing Scottish government policy and existing governance and financing models. Large-scale housing development is typically funded and led either by private sector funding or by government funds supporting Housing Associations. These organisations have access to finance as profits provide returns to institutional lenders and investors; Housing Associations have access to Government social policy funds through Strategic Housing Investment Plans.

Governance form must follow function, and the community body must consider both the desire to undertake all aspects of the development, its capability to do so, and whether it has the necessary access to funds.

Increasingly community-led development is making use of Community Benefit Societies. These permit ownership, borrowing, and trading (unlike Charities) and provide a mechanism for community accountability through membership. A CBS can raise money through social loans, share offers, or through community bonds. The latter do not require membership in the same way that a community share offer would, therefore opening up borrowing to investors outside of the membership qualifying area and also ensuring that investors can be rewarded for their financial investment. CBS in the UK run community shops, community pubs, harbours, and a whisky distillery. The assets of a CBS are held in a legislative “lock” – even if the assets are sold, the benefits of that sale must be used for the purposes of the CBS.

CBS can register as charities, giving them the same tax advantages, and they increasingly do have access to grant funding in the same way that charities do. If the prospective CBS is not registered as a charity, it may be useful to establish an allied charity with the CBS to gain charitable exemptions for some aspects of the delivery project – for example for donated income – and such models do exist.

Delivery and development of housing – particularly affordable or below-market rent housing – is carried out by Housing Associations as they have access to the government grant funds which subsidise this type of housing. Communities seeking to deliver social benefit through housing either become Housing Associations in their own right, but more usually form partnerships with an existing Housing Association. This is particularly the case for urban areas; Rural and Island Housing funding streams exist for communities in sparsely populated areas, but not in urban areas. Matters are more complex where the community body wishes to restrict access to housing for particular groups of tenants; this requires a Local Letting Initiative and this then may require the Housing Association to create a subsidiary body for that housing.

Community-led housing does provide an exemplar model for site development, albeit focussed on ensuring local housing provision rather than on delivery of wider environment and social benefits. Affordable or local homes may be sold under a Housing Burden, which ensures that the community body has first right of refusal on any sale.

Real and community burdens are not limited to housing. A real burden is an obligation on an owner of land (the owner of the 'burdened property') either to do something or to avoid doing something, for example not to build an extension. It will be enforceable by the owners of 'benefited properties' and the presence of a real burden can sometimes, but not always, be found by an examination of one's title deeds. Real burdens are commonly found in cases of plot subdivision or as 'community real burdens' where a developer has bought a large plot of land, built an estate on it, and then sold off the individual plots.

Real burdens can be notoriously difficult to enforce. The main problem is that, while they are required to be registered on the title of the property which is burdened, there is no requirement for them to be registered on the title of the property benefiting. This means that a person can hold enforcement rights without realising it, and so will not take the necessary steps if the burdens come to be breached. However, where new real burdens are created by, for example, a Community Benefit Society which owns the communal lands, then this enforcement issue becomes a question of debt collection rather than proving the burden.

In summary, in delivering the Vision for the Astley Ainslie site, there is one potential governance model which could be:

- Creation of a CBS (or other appropriate body) to purchase the desired area, using a mixture of loans, grants, and share offers;
- Set out the delivery vision in a set of "real burdens" enforceable over the site;
- Sale of parts of the site to commercial developers for private housing, with the real burdens embedded in each house sale;
- Sale of parts of the site to Housing Associations;
- Retention by the CBS of the community spaces, enabling it to enforce the real burdens to collect ongoing fees for their maintenance and development.

If the existing owner, NHS Lothian, is willing to engage with the Vision, it may be that real burdens could be created as part of the process of sale by NHS Lothian to developers and recorded in the title deeds for community areas held by the CBS. This would avoid the need for the CBS to purchase the whole site and then to sell on.

The deeds and conditions by which the Astley Ainslie Trust gifted the property may be relevant in this consideration.



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