

Annex – Response

1. Emails between SG official and Aberdeen City Council re. RAAC voluntary sales offers details

From: [redacted Reg 11(2)] [redacted Reg 11(2)]@gov.scot>
Sent: Wednesday, October 2, 2024 5:07pm
To: Jacqui McKenzie <[redacted Reg 11(2)]@aberdeencity.gov.uk>
Cc: Stephen Booth <[redacted Reg 11(2)]@aberdeencity.gov.uk>
Subject: RE: Aberdeen City - RAAC Update 26.09.24

Hi Jacqui

Thank you very much for this, very useful to know. We suspected that this was the case but it is good to be certain.

Kind Regards
[redacted Reg 11(2)]

[redacted Reg 11(2)] (he/him/his) | Housing Standards and Quality [redacted Reg 11(2)]
Directorate for Local Government and Housing | Fuel Poverty & Housing Standards Unit

From: Jacqui McKenzie <[redacted Reg 11(2)]@aberdeencity.gov.uk>
Sent: Wednesday, October 2, 2024 3:03 PM
To: [redacted Reg 11(2)] <[redacted Reg 11(2)]@gov.scot>
Cc: Stephen Booth <[redacted Reg 11(2)]@aberdeencity.gov.uk>
Subject: RE: Aberdeen City - RAAC Update 26.09.24

Good afternoon [redacted Reg 11(2)],

I can advise that we are in the process of engaging external & independent support for the voluntary acquisition process and as such these negotiations have not yet commenced.

Kind regards,
Jacqui

From: [redacted Reg 11(2)]@gov.scot <[redacted Reg 11(2)]@gov.scot>
Sent: 26 September 2024 17:58
To: Jacqui McKenzie <[redacted Reg 11(2)]@aberdeencity.gov.uk>
Subject: RE: Aberdeen City - RAAC Update 26.09.24

Hi Jacqui

Many thanks for this update, this is very useful, as always.

I have one query for you in relation to voluntary offers to homeowners. We have been asked to respond to reports around the value of offers that are being made to homeowners, specifically by the UK RAAC Campaign Group. Our response so far is to say simply that the actual offers are for Aberdeen City Council to discuss with homeowners and not for the Scottish Government to comment upon.

Can I just check, has the process of making formal offers to homeowners started, or are the figures quoted so far based on speculation?

*Kind Regards
[redacted Reg 11(2)]*

*[redacted Reg 11(2)] (he/him/his) | Housing Standards and Quality [redacted Reg 11(2)]
Directorate for Local Government and Housing | Fuel Poverty & Housing Standards Unit*

From: Jacqui McKenzie <[redacted Reg 11(2)]@aberdeencity.gov.uk>
Sent: Thursday, September 26, 2024 5:46 PM
To: Minister for Housing <MinisterforHousing@gov.scot>; [redacted Reg 11(2)] <[redacted Reg 11(2)]@gov.scot>; [redacted Reg 11(2)] <[redacted Reg 11(2)]@gov.scot>; Stephen Garvin <[redacted Reg 11(2)]@gov.scot>; Emilie-Louise Purdie <[redacted Reg 11(2)]@gov.scot>; [redacted Reg 11(2)] <[redacted Reg 11(2)]@gov.scot>; [redacted Reg 11(2)] <[redacted Reg 11(2)]@gov.scot>; [redacted Reg 11(2)] <[redacted Reg 11(2)]@gov.scot>; [redacted Reg 11(2)] <[redacted Reg 11(2)]@gov.scot>
Cc: [redacted Reg 11(2)] <[redacted Reg 11(2)]@aberdeencity.gov.uk>; Miranda Radley <MRadley@aberdeencity.gov.uk>; Andy MacDonald <[redacted Reg 11(2)]@aberdeencity.gov.uk>; esheppard <[redacted Reg 11(2)]@aberdeencity.gov.uk>
Subject: Aberdeen City - RAAC Update 26.09.24

Dear All,

Fortnightly update attached.

FAQ's continue to be updated on our web pages - [RAAC Council Housing | Aberdeen City Council](#).

Kind regards,
Jacqui

2. RAAC in housing in Aberdeen City Council - Emails between Scottish Government and Aberdeen City Council

From: [redacted Reg 11(2)] <[redacted Reg 11(2)]@gov.scot>
Sent: Thu 15/08/2024 08:11
To: Jonathan Belford <[redacted Reg 11(2)]@aberdeencity.gov.uk>
Subject: Re: Follow-up: RAAC remediation

Hi Jonathan,

[redacted Reg 10(5)(d) and Reg 10(5)(e)]

Thanks,
[redacted Reg 11(2)]

[redacted Reg 11(2)] Local Authority Accounting | Local Government and Analytical Services Division
The Scottish Government | Victoria Quay Edinburgh EH6 6QQ |
[redacted Reg 11(2)]@gov.scot

From: Jonathan Belford <[redacted Reg 11(2)]@aberdeencity.gov.uk>
Sent: Wednesday, August 14, 2024 4:49 PM
To: [redacted Reg 11(2)] <[redacted Reg 11(2)]@gov.scot>
Subject: Re: Follow-up: RAAC remediation

Hi [redacted Reg 11(2)]

Our report is just being finalised and is due to be published tonight. I have extracted the Finance Implications section for you to have a look at. Trust this is all ok from your perspective. Thanks
Jonathan

4. FINANCIAL IMPLICATIONS

Short Term Funding review and requirements

4.1 Members will recall that at the Urgent Business Committee, held on 29 February 2024, they approved a budget of £3m within the Housing Capital budgets to create an initial budget to address the matters raised at that time, to cover all associated costs including but not limited to, additional staffing costs, specialist consultant fees, contractors costs for access and works, rehoming costs, temporary accommodation, school transport, utilities disconnections/connections and security costs for the wider site.

1. Following on from the Urgent Business Committee, officers can advise that the current financial position is as follows;

Gross Budget	Spend to Date
£3.0m	£0.81m

1. *Consideration of the above budget with regard to the layers of expenditure envisaged suggests that this does not need to be changed at this time to accommodate the costs for the on-going rehoming programme as intimated in paragraph 4.1.*

1. *The report recommends that the initial demolition works should proceed and as intimated in Balnagask RAAC Options Appraisal – 9.2 the indicative cost has been initially estimated to cost £20m-£25m.*

1. *Financing the costs involved is challenging and complex, considerations include whether the costs are revenue or capital in nature, where the money will come from and in which Council account the costs should be accounted for.*

1. *The costs associated with option 4a, for example, demolition of Council properties and landscaping would be attributable to the Housing Revenue Account, while the careful consideration will have to be given to the purchase of properties from owners, the position is less certain and a judgement will have to be made on how the Council acquires the properties. There are potentially two options, the Housing Revenue Account or the General Fund, acknowledging that retaining the land in the Housing Revenue Account would bring the whole site together for the purposes of the master-planning and future development.*

1. *The Council has considered different funding options, and confirmed through the discussions with Scottish Government officials that there is no specific grant funding available to support these costs at this time. The cost is therefore going to be additional to the current budget plans that were approved by Council, whichever Council account is used.*

1. *The Council has limited options, that include making use of existing resources, borrowing more for capital expenditure than had been planned provided this is within the Prudential Indicator operational limits, or change / reduce the volume of work and/or services that will be carried out (for example, reducing the delivery of projects from the current capital programme).*

1. *With limited uncommitted reserves both in the General Fund and the Housing Revenue Account there is little scope to fund the level of estimated expenditure for the completion of option 4a notwithstanding the need to look ahead to the ‘building new homes’ element of Option 4b. Therefore Officers have held discussions with the Scottish Government officials on the financial impact of RAAC in terms of what costs mean for the Council and rents, and have concluded that it is important to secure flexibility around how costs could be paid for and*

over what time scales these could apply to assist the Council to manage the financial implications.

1. The conclusion of our discussions, mean that Aberdeen City Council officers may request that the Scottish Government consider a statutory dispensation to permit the Council to utilise General Fund income, borrowing and/or other reserves to meet Housing Revenue Account (HRA) RAAC remediation costs. This dispensation would be provided for a specific term, aligned with the remediation option chosen, and would be likely to require the HRA to reimburse the General Fund / other funds over time. Any repayment obligations would have to be incorporated into the HRA 30-year Business Plan and rent setting reports to Council. Before any such decision could be considered, Ministers would require detailed proposals of the combination of resources to be utilised to meet the RAAC costs, along with adequate assurance of the prudence, affordability and sustainability of the proposal.

1. Obtaining flexibility would provide the Council with the greatest number of options to meet costs, that are unavoidable. It will be for the Chief Officer - Finance to determine the accounting treatment for any expenditure incurred to address the RAAC situation, taking account of legislation, proper accounting practice, statutory guidance issued by Scottish Ministers, flexibilities proved by Scottish Ministers and, in the event of funding being made available to the Council, how that will be treated.

1. Recognising that the majority of the cost is likely to arise in future financial years, the proposal is for a sum of £4m to be made available to support the initial expenditure expected in 2024/25. The types of cost that are expected to be met from this sum would include, but not be restricted to, project management, surveys, demolition preparation, project design and masterplanning, property acquisition and associated legal costs.

1. The Chief Officer – Finance has made an initial judgement that these costs would be met from the Housing Capital Programme budget, and will be reviewed as the project progresses, including engagement with the Council’s external auditor. To minimise the cost of borrowing additional money in the short term, viring this from other Capital Programme budgets is the preferred option. The total cost implications will have to be incorporated into the 30-year HRA Business Plan and 2025/26 Budget reports due to be presented to Council later this year.

1. The recommendation is to vire £4m from three Capital Programme budgets, as note in the table below:

Approved HRA Capital Programme	Current Approved Spend 24/25	New Proposed Spend 24/25 £'000	Vired Amount £'000

24/25	£'000		
Free from Serious Disrepair	23,655	20,715	-2,940
Energy Efficient	14,651	12,746	-1,905
Modern Facilities & Services	15,260	14,625	-635
Total	53,566	48,086	-5,480
27% Slippage Allowance	-14,463	-12,983	-1,480
New: RAAC Remediation Option 4a	0	4,000	4,000
Net Impact	39,103	39,103	0

The figures in the above table includes allowance for slippage as per the approved Housing Capital Programme Budget 2024/25 to 2028/29.

From: [redacted Reg 11(2)]@gov.scot
 Sent: 12 August 2024 16:09
 To: Jonathan Belford <[redacted Reg 11(2)]@aberdeencity.gov.uk>
 Subject: RE: Follow-up: RAAC remediation

Apologies I only answered half of your question in my haste to give you an answer for the meeting.

[redacted 10(4)(d) and 10(5)(d)]

[redacted Reg 11(2)] Local Authority Accounting | Local Government and Analytical Services Division
 The Scottish Government | Victoria Quay Edinburgh EH6 6QQ | [redacted Reg 11(2)]@gov.scot

From: [redacted Reg 11(2)] <[redacted Reg 11(2)]@gov.scot>
Sent: Monday, August 12, 2024 3:23 PM
To: Jonathan Belford <[redacted Reg 11(2)]@aberdeencity.gov.uk>
Subject: Re: Follow-up: RAAC remediation

Hi Jonathan,

[redacted 10(4)(d) and 10(5)(d)]

Thanks,
 [redacted Reg 11(2)]

*[redacted Reg 11(2)] Local Authority Accounting | Local Government and Analytical Services Division
The Scottish Government | Victoria Quay Edinburgh EH6 6QQ | [redacted Reg 11(2)]@gov.scot*

From: Jonathan Belford <[redacted Reg 11(2)]@aberdeencity.gov.uk>
Sent: Monday, August 12, 2024 3:23 PM
To: [redacted Reg 11(2)] <[redacted Reg 11(2)]@gov.scot>
Subject: Re: Follow-up: RAAC remediation

Hi [redacted Reg 11(2)]
Sorry for not getting back to you before now! I was tied up in pay matters end of last week and trying to get our RAAC report prepared for issue this week is proving more time consuming, unfortunately.

I am due to be on the call at 4pm so no doubt see you there.
In terms of the text you've provided and our discussions before did we close off whether or not the HRA could access the Capital Fund for either repayment of debt principal or for direct capital expenditure - and if the HRA could access these funds would there be a requirement to make a repayment to the Capital Fund (I think there would, but just wondered if you had a view on whether that would be required or if it would be at the Council's discretion. It might have given me some scope to access some funds rather than increasing borrowing requirement.

Thanks
Jonathan

From: [redacted Reg 11(2)] @gov.scot
Sent: 08 August 2024 16:47
To: Jonathan Belford <[redacted Reg 11(2)]@aberdeencity.gov.uk>
Subject: RE: Follow-up: RAAC remediation

Hi Jonathan,

I have been asked to attend a meeting between Council officers and the Minister for Housing on Monday and just wanted to offer you a meeting in advance of this in case it would be helpful?

Thanks,
[redacted Reg 11(2)]

*[redacted Reg 11(2)] Local Authority Accounting | Local Government and Analytical Services Division
The Scottish Government | Victoria Quay Edinburgh EH6 6QQ | [redacted Reg 11(2)]@gov.scot*

From: [redacted Reg 11(2)] <[redacted Reg 11(2)]@gov.scot>
Sent: Friday, August 2, 2024 10:01 AM
To: Jonathan Belford <[redacted Reg 11(2)]@aberdeencity.gov.uk>
Subject: RE: Follow-up: RAAC remediation

Hi Jonathan,

[redacted 10(4)(d) and 10(5)(d)]

Would you have availability for a brief catch-up on progress?

Thanks,
[redacted Reg 11(2)]

[redacted Reg 11(2)] Local Authority Accounting | Local Government and Analytical
Services Division
The Scottish Government | Victoria Quay Edinburgh EH6 6QQ | [redacted Reg
11(2)]@gov.scot

3. Angela Scott, Chief Executive Aberdeen City Council correspondence with the Minister for Housing re RAAC



Your Ref:
Our Ref: AS/AM
Contact: Angela Scott
Location: Marischal College
Date: 27 August 2024

Paul McLennan MSP
Minister for Housing
Scottish Government

Email: ministerforhousing@gov.scot

Dear Mr McLennan MSP

Aberdeen City Council – Balnagask RAAC (Reinforced Autoclaved Aerated Concrete) Option Report at Council Meeting 21 August 2024

Further to the meeting with Aberdeen City Council Co-Leaders, Convenor of Housing, council officers, yourself, and Scottish Government officials, I would like to thank you for your time and willingness to explore options regarding the impact caused by RAAC within homes in the Balnagask area of Aberdeen.

I am also writing to confirm the decision made at the Council meeting on the 21st of August and to seek your further support to coordinate a joint meeting between your office and the UK Government.

Council have agreed that the optimum option is the demolition and rebuild of homes on the site and has instructed the Chief Officer – Capital to proceed with the demolition aspect of this, and to report back to the next appropriate meeting of Communities, Housing and Public Protection Committee on the initial phasing of demolition and landscape details. The indicative cost for this initial phase is £20 million to £25 million, which includes demolition, landscaping, and compensation for private owners.

Further agreement was that the Chief Officer – Corporate Landlord look at a range of delivery options for new housing on the site, including opportunities to work with partners to meet the masterplan aspirations, and the requirement of the Housing Revenue Accounts 30-year business plan. The estimated rebuild costs are an additional £125 million plus.

As you will appreciate these costs are unfunded and the compensated 'market value' will have a significant impact on private owners. As such our Co-Leaders would welcome a meeting with you and the UK Government to explore short term and long-term funding support mechanisms, as well as progress any fiscal flexibilities that have been discussed with Scottish Government officials.

Aberdeen City Council,
Marischal College,
Broad Street,
Aberdeen, AB10 1AB

Did you know you
can access our
services online at
aberdeencity.gov.uk

We look forward to your reply and working with your officials on the arrangements for a joint meeting at your earliest convenience.

Yours sincerely

Angela Scott
Chief Executive

cc The Rt. Hon Ian Murray MP, Secretary of State for Scotland

Reference - Council RAAC Options Report (Item 9.1) [Agenda for Council on Wednesday, 21st August, 2024, 10.30 am \(aberdeencity.gov.uk\)](#)

RESPONSE from the Minister for Housing

Our Reference: 202400429067

Aberdeen City Council – Balnagask RAAC (Reinforced Autoclaved Aerated Concrete) Option Report at Council Meeting 21 August 2024

19 September 2024

Dear Angela,

Thank you for your letter which sets out the decision taken at the Aberdeen City Council meeting on 21 August 2024 to demolish the homes impacted by high-risk RAAC and to rebuild on the site. I also note the indicative costs that you have set out. My officials will continue to engage with you and your officers to support the exploration of financial flexibility options for Aberdeen City Council to consider, so that you can continue to support the affected households in the best way possible.

As you will be aware, whilst the previous Chancellor had committed to ‘spend what is necessary’ to deal with the issue of RAAC, no funding has been forthcoming. Ahead of the upcoming UK Government budget, I have now written to the Chancellor urging her to deliver on the broken promises of the previous Chancellor and to finally ‘spend what is necessary’ to deal with the issue of RAAC by setting up a dedicated fund which would support the costs of investigation, remediation and any potential rebuilding.

In terms of a possible joint meeting with the UK Government, I have given that a great deal of thought. I think that at this stage a separate approach by Aberdeen City Council to the UK Government, in parallel to my letter, setting out the details of your options and associated costs would be the optimal approach.

My officials will continue to provide me with updates on their discussions with Aberdeen City Council.

Yours sincerely

Paul McLennan

4. Email exchange and table re Aberdeen City Council non-school and non-housing estate

From: [redacted Reg 11(2)] @aberdeencity.gov.uk
To: [redacted Reg 11(2)]@gov.scot; RAAC <raac@gov.scot>
Cc: Stephen Booth <[redacted Reg 11(2)]@aberdeencity.gov.uk>
Sent: 21 October 2024 09:26

Dear [redacted Reg 11(2)],

Please accept our apologies for the time it has taken to respond to your request below; this was due to an oversight on our part.

Please see attached completed update, which provides a summary of the long term strategy for the two properties in our non-housing / non-school estate where RAAC is present.

Regards,

[redacted Reg 11(2)]



[redacted Reg 11(2)] Aberdeen City Council | Corporate Landlord |
Families & Communities
Marischal College | 2nd Floor South | Broad Street | Aberdeen | AB10 1AB
Direct Dial: [redacted Reg 11(2)]
[redacted Reg 11(2)]
www.aberdeencity.gov.uk | X: @AberdeenCC | Facebook.com/AberdeenCC

From: [redacted Reg 11(2)] <[redacted Reg 11(2)]@gov.scot>
Sent: Tuesday, May 21, 2024 5:07 PM
To: Stephen Booth <[redacted Reg 11(2)]@aberdeencity.gov.uk>
Cc: RAAC <raac@gov.scot>
Subject: RAAC - Long Term Planning - Aberdeen City Council

Hi Stephen,

Many thanks for your assistance so far in providing information about the RAAC discovery and assessment work in your Local Authority, specifically the non-school non-housing estate.

As indicated at the recent SHoPS meeting, with the discovery phase almost complete, we are looking to gain an understanding of your longer term plans for RAAC remediation/management. Attached is a short template which aims to collate information for this next stage. The 'buildings identified' column has been prepopulated from information previously provided by you (if any other buildings need to be added please do so).

Only one option can be selected from each dropdown however if you feel more than one applies, select the most relevant and then add any additional comments in the details box. If 'other' is selected, please ensure to expand on this within the details box.

We would also be grateful if you could indicate whether the presence of RAAC in a building is in the public domain, for example, on your Authority's website.

Finally, the Scottish Government is of course subject to Freedom of Information legislation. Therefore, if providing any information which you would prefer not to be made public in the event of an information request, please indicate this on your return.

We would be grateful if you could complete the form and return by **COP Friday 31 May**.

Please contact the RAAC Co-ordination Team if you have any queries.

Kind regards,

[redacted Reg 11(2)]

[redacted Reg 11(2)]
RAAC Co-ordination Team



Scottish Government | Directorate for Local Government & Communities | Building Standards Division

RAAC Long term planning and remediation - local authority estate (other than schools and social housing)					
Summary information return to The Scottish Government. Please complete and return to RAAC@gov.scot by 31 May 2024					
Instructions	Only one option can be selected from the dropdown list however if more scenarios apply, please select the most relevant and then in the comments box provide further detail here. If 'other' selected, please provide context in the comments box.				
Local Authority	Aberdeen City Council				
Contact (name & phone)	Stephen Booth - <i>[redacted Reg 11(2)]</i>				
Contact (email address)	[redacted Reg 11(2)]@aberdeencity.gov.uk				
Buildings identified as containing RAAC	Current status (if >1 applies, provide detail in comments)	Awaiting Survey (enter date if relevant)	Long term RAAC management plans	RAAC presence in public domain	Please provide further details on long term RAAC planning and any other information you consider relevant (free text).
Hazlehead Academy Swimming Pool	Closed in full or part		Demolition	Yes	
Town House Extension	Monitoring regime		Monitoring regime	Yes	Mitigation measures also in place - increased frequency of roof / gutter cleaning, inspection regime following extreme weather events, and warning signage in place. The future of the building will be considered as part of the Council's wider transformation programme which will take into account the presence of RAAC.

5. Fortnightly update from Aberdeen City Council to officials provided on 26 September 2024 and referred to in document 1.

Week Ending 26/09/2024 (data used is up until COB 25/09/2024)



Properties



Total Aberdeen City Council addresses	366
Total Void Aberdeen City Council addresses	207
Total privately owned properties	138
Ready to let stock available for rehoming	116
Engineering surveys undertaken (voids/council occupied)	30/106
Number of occupied uninspected addresses (houses and first floor flats)	43

People - Engagement



Total Contact (emails, calls, home visits)	4683
Council Tenant Calls answered	990
Council Tenant Email responses	1110
Council Tenant meeting with Housing & Support Officer held	441
Owner/Private Tenant Calls answered	165
Owner/Private Tenant Emails responses	199
Owner/Private Tenant meeting with Housing & Support Officer	49
Voluntary Acquisition – Contact from Private Owners to date	57

People – ACC Tenants Rehoming Update



Number of Council Tenants Rehomed	
• Lease signed with ACC	139
• Lease signed with other RSL's in city/Shire	6
• Moved into alternative accommodation	10
Number of Council Tenants still to be rehomed	138
• Number of tenants who have signed for their new home and in the process of moving	62
• Number of tenants who are currently under offer	53
• Number of tenants who are awaiting an offer of accommodation	23
Household Members Rehoused	13
Number of council tenants who have indicated they are unwilling to move	2

Key Themes



Queries from private owners enquiring about starting process of buying back their properties.

Increase in requests from private owners for housing options to be provided

Requests for further detail relating to the implications of the options being considered, particularly for homeowners.