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To: All Members of the Council

Town House,
ABERDEEN, 6 December 2011

COUNCIL MEETING

The Members of the **COUNCIL** are requested to meet in Council Chamber - Town House on **WEDNESDAY, 14 DECEMBER 2011 at 10.30am.**

JANE G. MACEACHRAN
HEAD OF LEGAL AND DEMOCRATIC SERVICES

BUSINESS

- 1 Admission of Burgesses
- 2 Members are requested to resolve that any exempt business on this agenda be considered with the press and public excluded
- 3 Requests for Deputation

MINUTES OF COUNCIL

- 4(a) Minute of Meeting of Council of 6th October 2011 - for approval (circulated separately)

MINUTES OF STANDING COMMITTEES

- 5(a) Pamphlet of Minutes - for information (circulated separately)

BUSINESS STATEMENT AND OTHER MINUTES

- 6(a) Business Statement (Pages 1 - 8)
- 6(b) Minute of Meeting of Appointment Sub-Committee of 5th December 2011 - for approval (Pages 9 - 10)

REFERRALS FROM COMMITTEES

- 7 None to Date

GENERAL BUSINESS

- 8(a) Polling Places Review - Report by Chief Executive (Pages 11 - 16)
- 8(b) Orders of Reference - Report by Director of Corporate Governance (Pages 17 - 26)
- 8(c) Aberdeen Prison Visiting Committee - Appointment of Replacement Members - Report by Director of Corporate Governance (Pages 27 - 30)
- 8(d) Housing for Varying Needs Review - Report by Director of Housing and Environment (Pages 31 - 156)
- 8(e) City Garden Project - Gauging Public Support - Report by Director of Enterprise, Planning and Infrastructure (Pages 157 - 198)
- 8(f) Annual Audited Accounts 2010/11 - Referred by Audit and Risk Committee of 29th November 2011 - for approval (Pages 199 - 252)
 - (i) Report to those charged with governance on the Audit of Aberdeen City Council 2010/11 - Report by Henderson Loggie
 - (ii) Report to Members and the Controller of Audit 2010/11 - Report by Henderson Loggie
 - (iii) Audited Annual Accounts 2010/11 (circulated separately)
- 8(g) General Fund Revenue Budget 2012/13 to 2016/17 - to be referred by Finance and Resources Committee of 6th December 2011 (Pages 253 - 322)
- 8(h) Treasury Management - Mid Year Review - to be referred by Finance and Resources Committee of 6th December 2011 (Pages 323 - 326)

QUESTIONS

9(a) Councillor Young (Pages 327 - 328)

- (1) "To ask the Chief Executive, who will be aware of Section 75 of the Local Government (Scotland) Act 1973 as amended which deals with disposal etc. of land forming part of the common good, what discussions if any have taken place between internal Council legal officers and/or Council appointed external legal officers and any Council employee relating to Union Terrace Gardens and what is the legal advice provided to the said employee and to further ask the Chief Executive what discussions if any have taken place between internal Council legal officers and/or Council appointed external legal officers and any person - the definition of "person" includes a body of persons corporate or unincorporated - relating to Union Terrace Gardens and what is the legal advice provided to the said person?"

(The above question was deferred at the last Council meeting in Councillor Young's absence. Councillor Young has agreed to drop the other 3 questions he submitted to that meeting which were also deferred)

- (2) "To ask the Chief Executive if the Director of Corporate Governance has ever replied to members of the Joint Consultative Committee (JCC) following the JCC meeting of 4th October 2011 where UNISON Aberdeen Branch presented a report to the JCC into costs associated with external delivery of Council IT services, given the Director disputed the accuracy of the report presented by the above said union and gave an assurance that he would respond to the alleged inaccuracies, can the Chief Executive provide members with a copy of the Director's response to the JCC on the union's paper or be provided with a date as to when the Director intends to respond to the JCC or alternatively can the Chief Executive confirm that the Director now agrees that the report put to the JCC by the union was indeed accurate thereby no longer needing a reply?"

9(b) Councillor Leslie (Pages 329 - 330)

- (1) "In light of the EIS survey, can the Chief Executive confirm if teaching staff who have funded stationery pencils, jotters, rubbers, ever been rejected monies from the Education budget for such stationery?"

MOTIONS

10(a) Councillor Leslie

"That officers are instructed to prepare a report on proper access for disabled people using mobility scooters at Marischal College, and such a report be remitted to the appropriate committee."

10(b) Lord Provost Peter Stephen

"That this Council, with its local and national cultural partners, explores the potential of bidding for the accolade of UK City of Culture in 2017, instructing officers to research the social and economic benefits of submitting a bid, and to scope the financial requirements needed to prepare such a bid."

10(c) Councillor Graham

"That the relevant department consults with the residents of Bonnyview Drive to ascertain the requirement to install traffic calming measures and report back to committee."

10(d) Councillor Graham

"That officers provide a report to advise Aberdeen City Council on what current measures are in place and what further measures need to be undertaken to promote/ensure competition in the bus routes of Aberdeen, thus ensuring a more competitive price for buses for the citizens of Aberdeen that are comparable with other cities in Scotland."

BUSINESS THE COUNCIL MAY WISH TO CONSIDER IN PRIVATE

11(a) Duthie Park Restoration - Outcome of Tender Process - Report by Director of Housing and Environment (Pages 331 - 334)

11(b) Premises at 132 Wellington Road - Report by Director of Enterprise, Planning and Infrastructure (Pages 335 - 338)

Website Address: www.aberdeencity.gov.uk

Should you require any further information about this agenda, please contact Martyn Orchard, tel. (52)3097 or email morchard@aberdeencity.gov.uk

**COUNCIL
BUSINESS STATEMENT
14 DECEMBER 2011**

<u>No.</u>	<u>Minute Reference</u>	<u>Committee Decision</u>	<u>Update</u>	<u>Lead Officer(s)</u>	<u>Report Due</u>	<u>Report Expected (if known)</u>
1.	<p>Council 16.12.09 Article 19</p> <p><u>50m Swimming Pool</u></p> <p>The Council approved a number of recommendations regarding design and procurement issues relating to the 50m Pool. The Council agreed that the management of the project be transferred to Aberdeen Sports Village subject to (a) the provision of further legal and financial advice in respect of any potential risks to the Council; and (b) the other partners confirming their financial contribution to the project.</p> <p>The Council requested that Aberdeen Sports Village provide the Council with a report within four months on how they planned to drive the project forward. <u>This is still awaited.</u></p>	<p><u>Please see Appendix for full information.</u></p> <p>The Education, Culture and Sport Committee of 2nd June 2011 approved the following recommendations:-</p> <p>(d) to approve funding of up to £8 million and this be met from the Non-Housing Capital Programme for the construction of a 10 lane pool subject to:</p> <p>(iii) officers reaching an agreement with partners in regard to the use of the facilities in light of the potential migration of swimming clubs to the new facility; and</p> <p>(iv) officers reaching agreement on a Transfer Agreement Document, which will formalise the transfer of responsibility for the</p>	<p>Director of Enterprise, Planning and Infrastructure</p> <p>(Report from Aberdeen Sports Village)</p>	24.03.10		

<u>No.</u>	<u>Minute Reference</u>	<u>Committee Decision</u>	<u>Update</u>	<u>Lead Officer(s)</u>	<u>Report Due</u>	<u>Report Expected (if known)</u>
			<p>delivery and operational phases of the 50 metre pool project to ASV Limited.</p> <p>(f) to instruct officers to report back to the next appropriate meeting of the Council in regard to the progress on the negotiations on items d(iii) and (iv) above.</p> <p>A progress report was considered by Council on 6th October 2011, which dealt with the above matters, as well as the latest position regarding negotiations with Aberdeenshire Council. Council approved the recommendations contained within the report and instructed officers to arrange a meeting of the 50m Pool Project Working Group as soon as possible.</p> <p>The request for a report from Aberdeen Sports Village on how they planned to drive the project forward (as referred to in the Committee Decision column on the previous page) has been superseded by events given that construction works</p>			

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2.	Council 30.06.10 Article 16	<p><u>The City Garden Project - Quarterly Progress Report</u></p> <p>The Council agreed to receive quarterly progress reports on the matter.</p>	<p><u>are imminent. It is therefore recommended that this item be removed from the Business Statement.</u></p> <p>The City Garden Project Quarterly Progress Report contained within the Information Bulletin presented to Council on 6th October 2011, identified that a report would be submitted to Council on 14th December 2011.</p> <p>However, it has taken longer than anticipated for the Design Competition Jury to select a preferred design for the City Garden Project and a decision is unlikely to be forthcoming before the first week in December (too late to produce a meaningful paper for submission to Council).</p> <p>Consequently, the paper planned for submission to Council on 14th December, seeking Council support for the project beyond the design competition stage, will now be submitted to a Special Council meeting in January (date yet to be agreed).</p>	Director of Enterprise, Planning and Infrastructure Project Director, Economic and Business Development	14.12.11	January 2012

<u>No.</u>	<u>Minute Reference</u>	<u>Committee Decision</u>	<u>Update</u>	<u>Lead Officer(s)</u>	<u>Report Due</u>	<u>Report Expected (if known)</u>
3.	Finance and Resources 29.09.11 Article 13	<p><u>Local Authority Trading Company - Implementation Costs</u></p> <p>The Finance and Resources Committee of 29th September 2011 resolved:-</p> <p>(i) that the cost of external expert support for the development of a full business case, up to a maximum of £50,000, be met from corporate provision for the costs associated with externalisation projects; and</p> <p>(ii) subject to the business case demonstrating operational and financial benefits to the Council, to instruct that a full report be presented to Council which should detail (1) the implementation costs for a Local Authority Trading Company of up to a maximum of £450,000 to be met from the corporate provision for the costs associated with the externalisation of projects, as approved at the budget meeting of Council of 10 February, 2011 (article 2 refers); and (2) the operational impact, benefit and timeline for the full implementation of a Local</p>		Director of Social Care and Wellbeing	04.04.12	

<u>No.</u>	<u>Minute Reference</u>	<u>Committee Decision</u>	<u>Update</u>	<u>Lead Officer(s)</u>	<u>Report Due</u>	<u>Report Expected (if known)</u>
		Authority Trading Company.				
4.	Council 06.10.11 Article 12	<u>Preparations for the 2012 Local Government Elections</u> The Council instructed officers to report back to the next meeting on the list of polling places following further consultation with members.	A report is on the agenda.	Chief Executive	14.12.11	14.12.11
5.	Enterprise, Planning and Infrastructure 15.11.11 Article TBC	<u>Motion by Councillor Kevin Stewart MSP - City Garden Project Possible Referendum</u> The Enterprise, Planning and Infrastructure Committee of 15 th November 2011, considered a report regarding the above matter and resolved:- (i) to note the content of the report, and to thank officers for the considerable work which had gone into its preparation; (ii) to agree to refer the report to the consideration of Council on 14 December 2011; (iii) to instruct officers to report to Council on 14 December 2011, detailing the cost and feasibility of an independently conducted, statistically significant opinion poll as an alternative way of	A report is on the agenda.	Director of Enterprise, Planning and Infrastructure Project Director, Economic and Business Development	14.12.11	14.12.11

<u>No.</u>	<u>Minute Reference</u>	<u>Committee Decision</u>	<u>Update</u>	<u>Lead Officer(s)</u>	<u>Report Due</u>	<u>Report Expected (if known)</u>
		<p>judging the level of public support for the project. This report should include the feasibility of including young people over the age of 16 or over in the sample, as well as information on the feasibility of holding a separate stand alone referendum for secondary school children;</p> <p>(iv) to instruct officers to produce a report for submission to Council on 14 December 2011, seeking approval for the wording of the question(s) to be included in any opinion poll or referendum, and that this report be the subject of consultation with Aberdeen City Gardens Trust Ltd and the Friends of Union Terrace Gardens; and</p> <p>(v) to recommend to Council that should Mr Mike Shepherd, submit a further request for deputation to Council on 14 December 2011, regarding this matter, that Council should agree to hear the request.</p>				

APPENDIX

ITEM 1 - 50m SWIMMING POOL

At its meeting of 27th April, the Council agreed to delegate authority to the Education, Culture and Sport Committee to make all necessary decisions at its meeting on 2nd June 2011, in order to keep the project on track, and that officers report accordingly.

The Education, Culture and Sport Committee of 2nd June 2011 approved the recommendations contained within the report, as outlined below, and added an additional recommendation at d(v) "subject to officers receiving clarification from Aberdeenshire Council that their revenue funding contribution remains intact".

The report recommended:-

that Committee:-

- (a) note the content of the report;
- (b) note that the development cost, based on the most economically advantageous tender for the 10 lane option is £21,918,104 and for the 8 lane option is £21,638,104 compared to the previously reported estimated costs of £23,347,259 for the 10 lane option and £22,726,794 for the 8 lane option;
- (c) note that the total funding available from the other partners as detailed in section 5.3 of the report has increased from the previous total of £10 million reported to Council on 15 December 2010 to £14 million. This being the result of the University of Aberdeen increasing their contribution from £5 million to £8 million and Aberdeen Sports Village Ltd. (ASV Limited) agreeing to underwrite the shortfall of £1 million for the 10 lane option to ensure that the funding package can be secured. The remaining balance of external funding coming from a £5 million grant from **sportscotland**;
- (d) agree to approve funding of up to £8 million and this be met from the Non-Housing Capital Programme for the construction of a 10 lane pool subject to:
 - (i) the Corporate Asset Group, on behalf of the Corporate Management Team, managing the overall spend of the Non-Housing Capital Programme in 2011/12 to stay within approved spending limits and to take into account the future capital demand for this project in the budget process for 2012/13 and 2013/14;
 - (ii) the revenue support for the ongoing costs of the project being capped at £250,000 per annum at 2010/11 prices with a review of future indexation once the facility is nearing completion of the construction phase;
 - (iii) officers reaching an agreement with partners in regard to the use of the facilities in light of the potential migration of swimming clubs to the new facility; and
 - (iv) officers reaching agreement on a Transfer Agreement Document, which will formalise the transfer of responsibility for the delivery and operational phases of the 50 metre pool project to ASV Limited.
- (e) note that the most economically advantageous tender for the 50 metre pool project was submitted by Contractor A, and subject to the Committee agreeing to approve funding on the basis of recommendation (d), to instruct officers to arrange, in conjunction with Aberdeen University and Aberdeen Sports Village Ltd., to appoint Contractor A as the Principal Contractor, based on their tender figure for the 10 lane option which results in an overall development cost of £21,918,104;
- (f) **to instruct officers to report back to the next appropriate meeting of the Council in regard to the progress on the negotiations on items d(iii) and (iv) above;** and
- (g) to note that the provision of a 50 metre pool has been included within the scope of the Water Management Plan currently underway, and will also be included within the report to Committee, due on 15 September 2011. The Committee should be aware that historically there has been a recognition that the city has a greater number of swimming pools for the size of population than elsewhere. **sportscotland** is providing support to model the existing water provision and future needs. The recommendations will also take full account of the

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reducing revenue and capital budgets and the costs associated with the 50 metre pool and are likely to include a reduction in the number and range of facilities.

At its meeting on 17th August 2011, the Council agreed that the above information be added back in to the business statement, and noted that a report would be submitted to the meeting on 6th October 2011.

APPOINTMENT SUB-COMMITTEE

ABERDEEN, 5 DECEMBER, 2011. - Minute of Meeting of the APPOINTMENT SUB-COMMITTEE. Present:- Councillor John West, Chairperson; and Councillors Fletcher and Young; and Mr F. Dalgarno, Mr C Taylor and Ms A. McDougall. Officers in Attendance:- Annette Bruton, Jeff Capstick and Vikki Cuthbert. Also in Attendance:- Ken Dalgleish, Munro Consulting.

EXEMPT INFORMATION

The Sub-Committee resolved in terms of Section 50(A)(4) of the Local Government (Scotland) Act 1973 to exclude the press and public from the meeting so as to avoid disclosure of exempt information of the class described in paragraph 1 of Schedule 7(A) to the Act.

MINUTE OF PREVIOUS MEETING

1. The Sub-Committee had before it the minute of its meeting of 17 November, 2011.

The Sub-Committee resolved:-

to approve the minute, subject to references to “the Panel” being substituted with references to “the Sub-Committee”.

POST OF CHIEF EXECUTIVE OFFICER OF SPORT ABERDEEN

2. With reference to the minute of its meeting of 17 November, 2011, the Sub-Committee met to interview candidates for the post of Chief Executive Officer of Sport Aberdeen.

The Sub-Committee interviewed the candidates who had been short-listed for the post, following which the outcomes of the full range of assessment information relevant to each applicant were considered.

The Sub-Committee resolved:-

- (i) to offer the post of Chief Executive Officer of Sport Aberdeen to the preferred candidate identified, subject to satisfactory checks being undertaken; and
- (ii) that the post be offered to the candidate second preferred in the event that the preferred candidate was not appointed.

- **COUNCILLOR JOHN WEST, Chairperson.**

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ABERDEEN CITY COUNCIL

COMMITTEE	Council
DATE	14 December 2011
LEAD OFFICER	Chief Executive
TITLE OF REPORT	Polling Places Review
REPORT NUMBER:	OCE/11/014

1. PURPOSE OF REPORT

Section 16 of The Electoral Administration Act 2006 requires each Local Authority to conduct a full review of polling districts and polling places for use at parliamentary elections, every four years. In doing so the Local Authority must ensure reasonable facilities for voting and that polling places are accessible to all electors, including voters with a disability, so far as is practicable.

The most recent review of this type was completed in December 2010. Therefore, a full review of polling districts and polling places was not required at this time. The review that has been undertaken concentrates on polling places and takes account of learning and feedback from elections held since the last full review and any changes in circumstances.

At the Council meeting of 6 October 2011, the Council agreed the recommended changes to polling places as outlined in the report to that meeting (OCE/11/009) with two exceptions. Requests were made to continue using Old Torry Community Centre as the polling place for the Torry East polling district and to use Danestone Congregational Church for the polling districts of Danestone North, Mugiemoos and Danestone South.

In addition, the Council agreed to proceed to public consultation on the proposals. The purpose of this report is to gain the final approval of the Council for the list of polling places, following the completion of the period of public consultation.

2. RECOMMENDATIONS

That the Council approves the attached list of polling places.

3. FINANCIAL IMPLICATIONS

None.

4. OTHER IMPLICATIONS

The recommendations in this report have implications for the use of some Council buildings on Polling Day.

5. BACKGROUND/MAIN ISSUES

Following the Council meeting on 6 October 2011, the list of recommended polling places was amended as follows:

Polling District	Polling Place for elections in 2011	Recommended Polling Place for all future elections	Explanation of Changes
SS1207 (Torry East)	Old Torry Community Centre	Old Torry Community Centre	Old Torry Community Centre will continue to be available and so no change is necessary.
DG0106 (Danestone North) DN0109 (Mugiemoss) DG0110 (Danestone South)	Danestone Primary School	Danestone Congregational Church	Requested in order that Danestone Primary School can remain open on polling day.

The public consultation was advertised in the local press and on the Council website. Consultation was also undertaken with the Disability Advisory Group, Community Councils and with Broomhill Primary School Parent Council, which had requested that an alternative to Broomhill Primary School be found.

The deadline for representations from the public was Monday 5 December and eight were received.

Seven expressed support for moving the polling place for Broomhill East from Broomhill Primary School to Ruthrieston Outdoor Sports Centre.

One suggested that a polling place be set up within Aberdeen University Hillhead Halls of Residence, in order to provide a facility specifically for the students there. After consideration, it is recommended that the current voting arrangements for this area are maintained.

The University has confirmed that only students would be able to access a polling place situated within Halls of Residence. There can only be one polling place per polling district and it should be situated in a location which is open to all. A change in polling district boundaries would allow for a polling place within Halls of Residence, however, this presents significant logistical difficulties and is made more problematic by where we are in the electoral calendar. In addition, an increase in polling places has financial

consequences at a time when we are reducing the total number of polling stations in order to minimise costs.

At forthcoming elections we will encourage awareness raising and participation events with the University.

6. IMPACT

When identifying suitable polling places the aim is to put the interest of voters first and to ensure equality of access. The Returning Officer has a statutory duty to encourage electoral participation and selection of appropriate polling places is an important part of this. Feedback and requests from local communities is always considered and acted upon where possible and appropriate.

Consultation has taken place with the Disability Advisory Group and Community Councils.

7. BACKGROUND PAPERS

Preparation for the 2012 Local Government Elections, report to Council Meeting of 6 October 2011 (OCE/11/009)

8. REPORT AUTHOR DETAILS

David Gow
Team Manager (Civic Support)
davidgow@aberdeencity.gov.uk
Telephone: 01224 (52)3881

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POLLING PLACES REVIEW - PROPOSED POLLING PLACES

CHANGES FROM THE MAY 2011 POLLING SCHEME ARE LISTED IN BOLD

The undnotated Polling Places have been identified for use at Local Government Elections. It is proposed that they should also be used for all other types of election.

Polling District Code	Polling District Name	Local govt electorate as at 06/06/2011	Polling Place for Parliamentary Elections 2011	Polling Place for Local Government Elections 2012	Explanation of Changes
DYCE/BUCKSBURN/DANESTONE					
DG0101	KIRK HILL	1892	DYCE CHURCH HALL	DYCE CHURCH HALL	
DG0102	DYCE NORTH	1139	DYCE CHURCH - DR COX ROOM	DYCE CHURCH HALL	In May 2011, a total of 4 polling stations for Kirkhill (DG0101) and Dyce South (DG0103) were situated in Dyce Church Hall. The 2 polling stations for Dyce North (DG0102) were in Dyce Church - Dr Cox Room. With the reduced number of stations needed for May 2012, all 4 polling stations for these 3 districts can be placed in Dyce Church Hall.
DG0103	DYCE SOUTH	1509	DYCE CHURCH HALL	DYCE CHURCH HALL	
DN0104	NEWHILLS	1169	NEWHILLS PRIMARY SCHOOL	NEWHILLS PRIMARY SCHOOL	
DG0105	STONEWOOD	1085	STONEWOOD PRIMARY SCHOOL	STONEWOOD PRIMARY SCHOOL	
DG0106	DANESTONE NORTH	1135	DANESTONE PRIMARY SCHOOL	DANESTONE CONGREGATIONAL CHURCH	There have been requests to find an alternative to Danestone Primary School if possible.
DG0107	BANKHEAD	1876	BEACON COMMUNITY CENTRE	BEACON COMMUNITY CENTRE	
DN0108	BUCKSBURN	1628	BUCKSBURN PRIMARY SCHOOL	BUCKSBURN PRIMARY SCHOOL	
DN0109	MUGIEMOSS	278	DANESTONE PRIMARY SCHOOL	DANESTONE CONGREGATIONAL CHURCH	There have been requests to find an alternative to Danestone Primary School if possible.
DG0110	DANESTONE SOUTH	2210	DANESTONE PRIMARY SCHOOL	DANESTONE CONGREGATIONAL CHURCH	There have been requests to find an alternative to Danestone Primary School if possible.
BRIDGE OF DON					
DG0201	JESMOND	2236	FOREHILL PRIMARY SCHOOL	FOREHILL PRIMARY SCHOOL	
DG0202	MUNDURNO	1402	GREENBRAE PRIMARY SCHOOL	GREENBRAE PRIMARY SCHOOL	
DG0203	NEWBURGH	1353	GLASHIEBURN PRIMARY SCHOOL	GLASHIEBURN PRIMARY SCHOOL	
DG0204	GREENBRAE	910	GREENBRAE PRIMARY SCHOOL	GREENBRAE PRIMARY SCHOOL	
DG0205	MIDDLETON	1733	MIDDLETON PARK PRIMARY SCHOOL	MIDDLETON PARK PRIMARY SCHOOL	
DG0206	PARKWAY NORTH	1801	MIDDLETON PARK PRIMARY SCHOOL	MIDDLETON PARK PRIMARY SCHOOL	
DG0207	BALGOWNIE	2116	BRAEHEAD PRIMARY SCHOOL	BRAEHEAD PRIMARY SCHOOL	
DG0208	SILVERBURN	781	BALGOWNIE COMMUNITY CENTRE	BALGOWNIE COMMUNITY CENTRE	
DN0209	BRIDGE OF DON	1815	BALGOWNIE COMMUNITY CENTRE	BALGOWNIE COMMUNITY CENTRE	
KINGSWELLS/SHEDDOCKSLEY					
DN0301	KINGSWELLS CENTRAL	987	KINGSWELLS COMMUNITY CENTRE	KINGSWELLS COMMUNITY CENTRE	
DN0302	KINGSWELLS NORTH	2284	KINGSWELLS COMMUNITY CENTRE	KINGSWELLS COMMUNITY CENTRE	
DN0303	SHEDDOCKSLEY EAST	1947	KINGSFORD PRIMARY SCHOOL	KINGSFORD PRIMARY SCHOOL	
DN0304	SHEDDOCKSLEY WEST	1760	SHEDDOCKSLEY COMMUNITY CENTRE	SHEDDOCKSLEY COMMUNITY CENTRE	
DN0305	SUMMERHILL NORTH	1305	MUIRFIELD PRIMARY SCHOOL	MUIRFIELD PRIMARY SCHOOL	
DS0306	KINGSWELLS SOUTH	12	KINGSWELLS COMMUNITY CENTRE	KINGSWELLS COMMUNITY CENTRE	
DN0307	WHITEMYRES	566	SHEDDOCKSLEY BAPTIST CHURCH	SHEDDOCKSLEY BAPTIST CHURCH	
DS0308	WOODEND	162	SHEDDOCKSLEY BAPTIST CHURCH	SHEDDOCKSLEY BAPTIST CHURCH	
DN0309	DENWOOD	108	SHEDDOCKSLEY BAPTIST CHURCH	SHEDDOCKSLEY BAPTIST CHURCH	
DN0310	SUMMERHILL CENTRAL	1313	SHEDDOCKSLEY BAPTIST CHURCH	SHEDDOCKSLEY BAPTIST CHURCH	
NORTHFIELD					
DN0401	SPRINGHILL NORTH	1930	HEATHRYBURN SCHOOL	HEATHRYBURN SCHOOL	
DN0402	HEATHRYFOLD	997	L P HENRY E RAE COMMUNITY CENTRE	L P HENRY E RAE COMMUNITY CENTRE	
DN0403	MIDDLEFIELD	1038	MANOR PARK SCHOOL	MANOR PARK SCHOOL	
DN0404	SPRINGHILL SOUTH	1715	NORTHFIELD COMMUNITY CENTRE	NORTHFIELD COMMUNITY CENTRE	
DN0405	BYRON	1034	NORTHFIELD COMMUNITY CENTRE	NORTHFIELD COMMUNITY CENTRE	
DN0406	CUMMINGS PARK	1334	CUMMINGS PARK COMMUNITY CENTRE	CUMMINGS PARK COMMUNITY CENTRE	
DN0407	MASTRICK WEST	1162	MASTRICK COMMUNITY CENTRE	MASTRICK COMMUNITY CENTRE	
DN0408	MASTRICK EAST	2145	QUARRYHILL PRIMARY SCHOOL	QUARRYHILL PRIMARY SCHOOL	
HILTON/STOCKETHILL					
DN0501	HILTON WEST	1531	HILTON COMMUNITY CENTRE	HILTON COMMUNITY CENTRE	
DN0502	HILTON EAST	1065	HILTON COMMUNITY CENTRE	HILTON COMMUNITY CENTRE	
DN0503	WOODSIDE	1464	WOODSIDE COMMUNITY CENTRE	WOODSIDE COMMUNITY CENTRE	
DN0504	HILTON SOUTH	1672	HIGH CHURCH HILTON	HIGH CHURCH HILTON	
DN0505	ROSEHILL	937	HIGH CHURCH HILTON	HIGH CHURCH HILTON	
DN0506	STOCKETHILL	2234	CAIRNCRY COMMUNITY CENTRE	CAIRNCRY COMMUNITY CENTRE	
DN0507	CORNHILL	574	CAIRNCRY COMMUNITY CENTRE	CAIRNCRY COMMUNITY CENTRE	
DN0508	KITTYBREWSTER	1038	KITTYBREWSTER PRIMARY SCHOOL	KITTYBREWSTER PRIMARY SCHOOL	
TILLYDRONE/SEATON/OLD ABERDEEN					
CN0601	TILLYDRONE	2504	RIVERBANK PRIMARY SCHOOL	RIVERBANK PRIMARY SCHOOL	
CN0602	DON	1974	SEATON PRIMARY SCHOOL	SEATON PRIMARY SCHOOL	
CN0603	SEATON NORTH	2122	SEATON PRIMARY SCHOOL	SEATON PRIMARY SCHOOL	
CN0604	ST MACHAR	2815	ST MACHAR ACADEMY	ST MACHAR ACADEMY	
CN0605	SEATON SOUTH	1530	ST MARY'S CHURCH KING STREET	ST MARY'S CHURCH KING STREET	
CN0606	PITTODRIE NORTH	1386	PITTODRIE COMMUNITY CENTRE	PITTODRIE STADIUM	Pittodrie Community Centre May not be available in 2012.
MIDSTOCKET/ROSEMOUNT					
CN0701	RAEDEN	1140	MIDSTOCKET PARISH CHURCH	MIDSTOCKET PARISH CHURCH	
CN0702	MIDSTOCKET	2491	MIDSTOCKET PARISH CHURCH	MIDSTOCKET PARISH CHURCH	
CN0703	ASHGROVE	1186	ASHGROVE CHILDREN'S CENTRE	ASHGROVE CHILDREN'S CENTRE	
CN0704	BERRYDEN	1872	SKENE SQUARE PRIMARY SCHOOL	SKENE SQUARE PRIMARY SCHOOL	
CS0705	GILCOMSTON NORTH	1687	ROSEMOUNT COMMUNITY ED CENTRE	NEW LIFE INTERNATIONAL CHURCH	Rosemount Community Centre May not be available in 2012.
CS0706	GILCOMSTON SOUTH	2594	ST MARY'S CATHEDRAL HALL	ST MARY'S CATHEDRAL HALL	
GEORGE STREET/HARBOUR					
CN0801	CALSAYSEAT	667	CATHERINE ST COMMUNITY CENTRE	CATHERINE ST COMMUNITY CENTRE	
CN0802	SUNNYBANK	2346	SUNNYBANK PRIMARY SCHOOL	SUNNYBANK PRIMARY SCHOOL	
CN0803	MOUNTHOOLY	1771	CATHERINE ST COMMUNITY CENTRE	CATHERINE ST COMMUNITY CENTRE	
CS0804	WOOLMANHILL	888	CATHERINE ST COMMUNITY CENTRE	CATHERINE ST COMMUNITY CENTRE	
CN0805	ST NICHOLAS	2176	ST MARGARET'S CHURCH HALL	SEAMOUNT COURT - TENANT'S ROOM	Seamount Court Tenant's Room was not big enough to accommodate the 3 stations needed in May 2011. However, only 2 are required for the 2012 Local Government Elections. It is better located and has disabled access in place.
CN0806	PITTODRIE SOUTH	1280	HANOVER COMMUNITY CENTRE	HANOVER COMMUNITY CENTRE	
CN0807	CASTLEHILL NORTH	2078	HANOVER COMMUNITY CENTRE	HANOVER COMMUNITY CENTRE	
CN0808	CASTLEHILL SOUTH	1199	ABERDEEN CITADEL (SALVATION ARMY BUILDING)	ABERDEEN CITADEL (SALVATION ARMY BUILDING)	
LOWER DEESIDE					
SS0901	PETERCULTER WEST	2720	ST PETER'S HERITAGE CENTRE	ST PETER'S HERITAGE CENTRE	
SS0902	PETERCULTER EAST	1038	PETERCULTER SPORTS CENTRE	PETERCULTER SPORTS CENTRE	
SS0903	MILLTIMBER	2008	MILLTIMBER COMMUNITY HALL	MILLTIMBER COMMUNITY HALL	
SS0904	BIELDSIDE	2267	ST DEVENICK'S CHURCH HALL	ST DEVENICK'S CHURCH HALL	
SS0905	CULTS WEST	1860	CULTS EAST CHURCH OUTREACH CNTR.	CULTS WEST CHURCH HALL	Cults East Church Outreach Centre is being demolished and rebuilt.
SS0906	CULTS EAST	1467	CULTS EAST CHURCH OUTREACH CNTR.	CULTS WEST CHURCH HALL	As above for Cults West.
HAZLEHEAD/ASHLEY/QUEENS CROSS					
SS1001	HAZLEHEAD	2194	HAZLEHEAD PRIMARY SCHOOL	HAZLEHEAD PRIMARY SCHOOL	
SN1002	CRAIGDEN	23	HAZLEHEAD PRIMARY SCHOOL	HAZLEHEAD PRIMARY SCHOOL	
SN1003	SUMMERHILL SOUTH	815	FERNIELEA PRIMARY SCHOOL	FERNIELEA PRIMARY SCHOOL	
CS1004	RUBISLAW	2429	ST MARY'S EPISCOPAL CHURCH	ST MARY'S EPISCOPAL CHURCH	
CN1005	HAMILTON	280	ST MARY'S EPISCOPAL CHURCH	ST MARY'S EPISCOPAL CHURCH	
SS1006	CRAIGIEBUCKLER	1257	CRAIGIEBUCKLER CHURCH HALL	CRAIGIEBUCKLER CHURCH HALL	
SS1007	SEAFIELD	2067	AIRYHALL COMMUNITY CENTRE	AIRYHALL COMMUNITY CENTRE	
CS1008	HARLAW	1604	QUEEN'S CROSS PARISH CHURCH	QUEEN'S CROSS PARISH CHURCH	
CS1009	CROMWELL	824	HOLBURN WEST CHURCH	HOLBURN WEST CHURCH	
CS1010	ASHLEY	2070	HOLBURN WEST CHURCH	HOLBURN WEST CHURCH	
AIRYHALL/BROOMHILL/GARTHDEE					
SS1101	BRAESIDE	1580	SCHOOL - BRAESIDE PLACE	SCHOOL - BRAESIDE PLACE	

					In May 2011, 2 stations for Mannofield (SS1102) were housed in Mannofield Church Hall and 2 stations for Broomhill West (SS1103) were housed in Mannofield Church Centenary Hall. Each of these districts requires only 1 station for May 2012 and so both can be placed in Mannofield Church Centenary Hall.
SS1102	MANNOFIELD	1346	MANNOFIELD CHURCH HALL	MANNOFIELD CHURCH CENTENARY HALL	
SS1103	BROOMHILL WEST	1575	MANNOFIELD CHURCH CENTENARY HALL	MANNOFIELD CHURCH CENTENARY HALL	
CS1104	BROOMHILL EAST	2718	BROOMHILL PRIMARY SCHOOL	RUTHRIESTON OUTDOOR SPORTS CENTRE - PAVILION	There have been requests from the local community to find an alternative to Broomhill Primary School if possible.
SS1105	DEESIDE	448	ST FRANCIS CHURCH HALL	ST FRANCIS CHURCH HALL	
SS1106	GARTHDEE	1597	INCHGARTH COMMUNITY CENTRE	KAIMHILL COMMUNITY CENTRE	Hire of Inchgarth Community Centre is expensive and can present logistical difficulties. Kaimhill Community Centre is a suitable alternative.
SS1107	KAIMHILL	1761	INCHGARTH COMMUNITY CENTRE	KAIMHILL COMMUNITY CENTRE	As above for Garthdee.
CS1108	RUTHRIESTON	637	RUTHRIESTON COMMUNITY CENTRE	RUTHRIESTON COMMUNITY CENTRE	

TORRY/FERRYHILL

CS1201	BON-ACCORD	1558	FERRYHILL COMMUNITY CENTRE	FERRYHILL COMMUNITY CENTRE	
CN1202	PALMERSTON	29	FERRYHILL COMMUNITY CENTRE	FERRYHILL COMMUNITY CENTRE	
CS1203	FERRYHILL	1876	FERRYHILL COMMUNITY CENTRE	FERRYHILL COMMUNITY CENTRE	
CS1204	GAIRN	2167	SOUTH HOLBURN CHURCH	SOUTH HOLBURN CHURCH	
CS1205	DUTHIE	1888	FERRYHILL CHURCH HALL	FERRYHILL CHURCH HALL	
SS1206	TORRY WEST	2283	TORRY YOUTH AND LEISURE CENTRE	TORRY YOUTH AND LEISURE CENTRE	
SS1207	TORRY EAST	1402	OLD TORRY COMMUNITY CENTRE	OLD TORRY COMMUNITY CENTRE	
SS1208	BALNAGASK EAST	2071	TULLOS NEW COMMUNITY SCHOOL	TULLOS NEW COMMUNITY SCHOOL	
SS1209	BALNAGASK WEST	614	BALNAGASK COMMUNITY CENTRE	BALNAGASK COMMUNITY CENTRE	

KINCORTH/LOIRSTON

SS1301	ABBOTSWELL	1433	ABBOTSWELL PRIMARY SCHOOL	ABBOTSWELL PRIMARY SCHOOL	
SS1302	KINCORTH	1459	KINCORTH COMMUNITY CENTRE	KINCORTH COMMUNITY CENTRE	
SS1303	TULLOS	1136	ALTENS COMMUNITY CENTRE	ALTENS COMMUNITY CENTRE	
SS1304	CRAIGHILL	2253	ABBOTSWELL PRIMARY SCHOOL	ABBOTSWELL PRIMARY SCHOOL	
SS1305	NIGG	1042	KINCORTH COMMUNITY CENTRE	KINCORTH COMMUNITY CENTRE	
SS1306	LOIRSTON	2821	LOIRSTON ANNEXE	LOIRSTON ANNEXE	
SS1307	COVE	1790	LOIRSTON ANNEXE	LOIRSTON ANNEXE	

ABERDEEN CITY COUNCIL

COMMITTEE	Council
DATE	14 December, 2011
DIRECTOR	Stewart Carruth
TITLE OF REPORT	Orders of Reference
REPORT NUMBER:	CG/11/142

1. PURPOSE OF REPORT

To update the current Orders of Reference to allow Service committees to take financial decisions without the requirement for a referral to the Finance and Resources Committee, in circumstances where there will be no adverse impact.

2. RECOMMENDATION(S)

To approve the Orders of Reference as appended to the report.

NB – Changes are highlighted in bold.

3. FINANCIAL IMPLICATIONS

There are no financial implications associated with the implementation of this report. In allowing Service committees to agree income generation without the requirement to seek approval from the Finance and Resources Committee, decisions will be able to be implemented in a more timeous fashion.

4. OTHER IMPLICATIONS

The Orders of Reference must be approved to set out the powers of each committee, and to avoid decisions taken at the committees being challenged.

5. BACKGROUND/MAIN ISSUES

5.1 At the meeting of the Finance and Resources Committee of 29 September, 2011, members requested that a report be brought back to the appropriate Committee (full Council) with a recommendation to amend the Orders of Reference for committees to allow Service committees to take financial decisions without the requirement for a referral to the Finance and Resources Committee, unless there would be adverse financial implications.

5.2 At present, the Orders of Reference for the Finance and Resources Committee state at 5(e) 'to approve changes to the budget to meet the savings required including (a) the power to vire between Service budgets; and (b) to undertake action to deliver cost reductions or income generation to achieve a balanced budget'.

- 5.3 Custom and practice since the implementation of the Orders of Reference (approved at the meeting of Council of 19 August, 2009 (article 10 refers)) has seen all decisions where there has been either a positive or negative financial impact on the Service budget, being referred to the Finance and Resources Committee for approval.
- 5.4 It is recommended that the Orders of Reference for the Finance and Resources Committee be amended so 5(e) will read 'to approve changes to the budget to meet the savings required including the power to vire between Service budgets'.
- 5.5 It is further recommended that the Orders of Reference for each of the Service committees be amended to include a further power –
'to take financial decisions concerning the (xxx) Service budget where there will not be an adverse impact'.
- 5.6 The Director of Corporate Governance has intimated that it would be his preference for the budget aspects of his Service to be reported to the Finance and Resources Committee, rather than the Corporate Policy and Performance Committee. This has been clarified in the Orders of Reference appended to the report.
- 5.7 The outcome of this change will be that budget monitoring reports for the Corporate Governance Service will be reported to the Finance and Resources Committee, but the Corporate Policy and Performance Committee will be accountable for the Services provided by the Corporate Governance Service, and will continue to receive the performance reports.
- 5.8 For clarity, the Service committees of Council for the purposes of this report (ie where the financial decisions will be taken) are as follows:
- Housing and Environment
 - Enterprise, Planning and Infrastructure
 - Education, Culture and Sport
 - Social Care and Wellbeing
 - Finance and Resources Committee (Corporate Governance Service)

6. IMPACT

None.

7. BACKGROUND PAPERS

Minute of meeting of Council of 19 August, 2011
<http://committees.aberdeencity.gov.uk/ieListDocuments.aspx?CId=122&MId=365&Ver=4>

8. REPORT AUTHOR DETAILS

Rebecka Coull
Tel – 522869
Email – rcoull@aberdeencity.gov.uk

ORDERS OF REFERENCE

ABERDEEN CITY COUNCIL

CORPORATE POLICY AND PERFORMANCE COMMITTEE ORDERS OF REFERENCE

1. To develop and approve corporate policy and strategies including partnership working, and HR policies except those specified as relating to teaching staff and falling within the remit of the Education, Culture and Sports Committee.
2. To oversee the community planning process.
3. To agree and monitor neighbourhood community action plans.
4. To ensure involvement of community, neighbourhood networks and partners in Committee decision making.
5. To be accountable for the services provided by the Corporate Governance Service except internal audit.
6. To receive and scrutinise performance information for the Corporate Governance Service **(with the exception of budget monitoring reports)**.
7. To be accountable for the services provided by the Office of Chief Executive.
8. To receive and scrutinise performance information for the Office of Chief Executive.
9. To oversee the provisions of the Code of Conduct for Elected Members including the taking of action in regard to allegations of misconduct and the introduction of any guidance, policy or procedures in accordance with the provisions of the Code.
10. To oversee the implementation of the Five Year Business Plan.
11. To approve a plan for Best Value Audits and to consider performance outcomes from the Audit.
12. To ensure the Council meets its obligations in terms of Corporate Governance compliance.
13. To ensure that the Council meets its responsibilities in terms of Best Value legislation.
14. To monitor annually performance and consistency between service committees.
15. Where the Chief Executive or Council so request, to monitor and scrutinise particular performance or service delivery matters.
16. To receive reports on whistleblowing and other investigations.
17. To instruct such performance information as the Committee requires to fulfil its remit.
18. To ensure that in fulfilling this remit the Committee have regard to statutory requirements such as the Local Government in Scotland Act 2003, in relation to Best Value and continuous improvement.
19. To ensure the Council meets its legal obligations through:-
 - (a) The approval of a fraud policy and monitoring its implementation; and
 - (b) Commissioning investigations to secure value for money in the delivery of services.
20. To oversee the processes by which services are exposed to competition and costs are let, where the Council itself is a bidder for the work.

21. The Committee will refer business items relating to service delivery issues to the appropriate committees, while reserving the function of monitoring performance of those other committees in dealing with items so referred.
22. To receive external performance reports, and ensure any necessary action, unless service specific.
23. To receive reports from the Commission of Local Administration in Scotland and ensure any necessary action.
24. To maintain an overview of the Code of Guidance on Funding External Bodies and Following the Public Pound - Review of the allocation of grants to outside bodies.
25. The Committee is charged with the responsibility for corporately monitoring and validating the activities of other Standing Committees relating to the development and implementation of processes for achieving Continuous Improvement (including Best Value) in the design and delivery of services and in the development of measures to achieve social inclusion and sustainable development, and generally with the promoting, in a visible and challenging manner, the development of Continuous Improvement (including Best Value) in all its senses.
26. The committee will have the responsibility of monitoring:-
 - (a) the development and implementation of new systems for ensuring performance management and quality assurance in the Council's structure for service delivery;
 - (b) the due influencing of service delivery, planning and strategic development;
 - (c) the planning and progress of service reviews and the implementation of action plans arising from those reviews;
 - (d) arrangements for achieving Value for Money, Continuous Improvement and Best Value in services provided by external contractors; and
 - (e) the adoption and implementation of the management framework for planning, implementing, monitoring, reporting and reviewing delivery.

**ABERDEEN CITY COUNCIL
FINANCE AND RESOURCES COMMITTEE
ORDERS OF REFERENCE**

1. To set and monitor a resources strategy for the Council and to scrutinise performance within this.
2. To undertake overall management of the Council's resources – finance, people, systems and technology, and property at the stage of acquisition or disposal.
3. To set budgets, including those managed by the service Committees, having regard to the priorities set by each service Committee.
4. To approve staffing structures and additional staffing where no budget provision exists within the services.
5. To monitor all of the Councils budgets, in particular:-
 - (a) To establish processes and procedures for the close monitoring of budget approved by the Council.
 - (b) To receive budget monitoring reports from each service and to ensure close scrutiny of the management of each service budget.
 - (c) To call budget holders to account for the proper control of the budget for which they are responsible.
 - (d) To ensure action plans are in place to meet the budget savings approved by the Council and to monitor the performance thereof.
 - (e) To approve changes to the budget to meet the savings required including (a) the power to vire between service budgets; and (b) to undertake action to deliver cost reductions or income generation to achieve a balanced budget.
 - (f) To scrutinise performance of each service against each budget forecast within the approved transformation strategy.
 - (g) To scrutinise the implementation of the Five Year Plan and to monitor budgets accordingly.
6. To manage the civic functions of the Council.
7. **To receive budget monitoring reports for the Corporate Governance Service.**
8. **To take financial decisions concerning the Corporate Governance Service budget where there will not be an adverse impact.**

**ABERDEEN CITY COUNCIL
ENTERPRISE, PLANNING AND INFRASTRUCTURE COMMITTEE
ORDERS OF REFERENCE**

1. To be accountable for all services provided by the Enterprise, Planning and Infrastructure Service, except where delegated to the Development Management Sub-Committee.
2. To receive and scrutinise performance information for the Enterprise, Planning and Infrastructure Service, except where delegated to the Development Management Sub-Committee.
3. **To take financial decisions concerning the Enterprise, Planning and Infrastructure Service budget where there will not be an adverse impact.**
4. To ensure that it delivers the services within the overall resources and management strategies as set by the Council and overseen by the Finance and Resources Committee; and to ensure that it achieves maximum value for money and Best Value in service delivery; except where delegated to the Development Management Sub-Committee.
5. To approve changes to staffing structures and establishment within the agreed budget.
6. To develop and agree service policies.

**ABERDEEN CITY COUNCIL
EDUCATION, CULTURE AND SPORT COMMITTEE
ORDERS OF REFERENCE**

1. To be accountable for all services provided by the Education, Culture and Sport Service.
2. To receive and scrutinise performance information for the Education, Culture and Sport Service.
3. **To take financial decisions concerning the Education, Culture and Sport Service budget where there will not be an adverse impact.**
4. To develop and approve policies and strategies for all functions of the Council as education authority.
5. To oversee the functions of the Council as education authority under the Education (Scotland) Act and all other relevant legislation and regulations relating thereto.
6. To ensure that it delivers the services of the Education, Culture and Sport Service within the overall resources and management strategies as set by the Council and overseen by the Finance and Resources Committee; and to ensure that it achieve maximum value for money and best value in service delivery.
7. To approve changes to staffing structures and establishment within the agreed budget.
8. To develop and agree service policies.
9. To approve HR policies for teaching staff including instrumental music instructors, advisors and educational psychologists.

**ABERDEEN CITY COUNCIL
HOUSING AND ENVIRONMENT COMMITTEE
ORDERS OF REFERENCE**

1. To be accountable for all services provided by the Housing and Environment Service.
2. To receive and scrutinise performance information for the Housing and Environment Service.
3. **To take financial decisions concerning the Housing and Environment Service budget where there will not be an adverse impact.**
4. To ensure that it delivers the services within the overall resources and management strategies as set by the Council and overseen by the Finance and Resources Committee; and to ensure that it achieves maximum value for money and best value in service delivery.
5. To approve changes to staffing structures and establishment within the agreed budget.
6. To develop and agree service policies.

**ABERDEEN CITY COUNCIL
SOCIAL CARE AND WELLBEING COMMITTEE
ORDERS OF REFERENCE**

1. To be accountable for all services provided by the Social Care and Wellbeing Service.
2. To receive and scrutinise performance information for the Social Care and Wellbeing Service.
3. **To take financial decisions concerning the Social Care and Wellbeing Service budget where there will not be an adverse impact.**
4. To ensure that it delivers the services within the overall resources and management strategies as set by the Council and overseen by the Finance and Resources Committee; and to ensure that it achieves maximum value for money and best value in service delivery.
5. To approve changes to staffing structures and establishment within the agreed budget.
6. To develop and agree service policies.

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ABERDEEN CITY COUNCIL

COMMITTEE	Council
DATE	14 December, 2011
DIRECTOR	Director of Corporate Governance
TITLE OF REPORT	Aberdeen Prison Visiting Committee – Appointment of Replacement Members
REPORT NUMBER	CG/11/158

1. PURPOSE OF REPORT

This report seeks consideration of the continued membership of one existing external Council appointee on Aberdeen Prison Visiting Committee, and intimates the requirement to find and select at least two (possibly three dependent on the decision in relation to the previous matter) replacement Aberdeen City Council appointees on the Visiting Committee.

2. RECOMMENDATION

That the Council -

- (a) consider the continued membership of Ms Robyn Warrender on the Aberdeen Prison Visiting Committee, in light of her failure to undertake the duties required of a member as set out in part 17 of the Prison and Young Offenders Institutions (Scotland) Rules 2011; if the Council agree to cease this membership then to request the Council to make a replacement external appointment; and
- (b) make two appointments to Aberdeen Prison Visiting Committee, and that these be made either on the basis of two external members **or** one external and one Council member.

3. FINANCIAL IMPLICATIONS

None.

4. SERVICE & COMMUNITY IMPACT

The value judgements underpinning the existence of Visiting Committees are outlined in Section 6.

5. OTHER IMPLICATIONS

None.

6. REPORT

6.1 **Background**

- 6.1.1 Many elected members will be familiar with the role of Prison Visiting Committees which, very broadly, act on behalf of the First Minister as independent observers concentrating on the conditions in prisons and, in particular, the treatment of prisoners.
- 6.1.2 Some form of independent oversight of prisons in Scotland has existed for well over a century. The modern context of the Visiting Committee is a sophisticated one which assumes harmony between the Committee and the Governor but, ultimately, provides for the possibility that the Committee might not be satisfied by remedial action taken by the Governor in response to its concerns, and for the referral of difficulties to the First Minister.
- 6.1.3 Ideally, the Governor welcomes the involvement and participation of the Visiting Committee in the strategic planning process but, ultimately, the Committee has no veto on value judgements reached in the course of that process. However, the absence of ultimate managerial responsibility does not entail lack of real influence.
- 6.1.4 Every member of a Visiting Committee has the right to enter the establishment at any time, and to have access to every part of it and to every prisoner. This right must of course be exercised with common sense, and with due regard to the routines of the establishment. A visiting rota is arranged, with a minimum of two members visiting every fortnight. These rota visits are at the heart of the Committee's moral and legal purpose.

6.2 **Current Position**

- 6.2.1 The Aberdeen Committee is supported by the City Council. The statutory rules for Aberdeen stipulate that the Council needs to appoint four representatives (whereas for the Peterhead Committee we are obliged to appoint only three). All four Aberdeen appointments can be external members but at the very least (in any mixture of external members and Councillors) external members must not be outnumbered.
- 6.2.2 As members will recall the Council on 17 August, 2011, agreed not to fill the vacancy arising from Councillor Leslie's resignation, which meant the Committee has been operating since this time with three members, not the four, required from the Council.
- 6.2.3 In addition, one external member of the Committee, Ms Robyn Warrender, has now failed to attend either meetings of the Committee or her scheduled rota of visits since the beginning of April, 2011. As set out in part 17 of the Prison and Young Offenders Institutions (Scotland) Rules 2011, these duties are a requirement of each member's role, and therefore Ms Warrender has not been undertaking her duties. The Committee have considered Ms Warrender's non attendance at its last three meetings and both the Convener and Clerk of the Committee have tried on numerous occasions, and by a variety of means, to contact Ms Warrender to ascertain her intentions regarding her future membership on the Committee, but unfortunately to date have been unsuccessful in discussing this matter with Ms Warrender and have not received any response.

6.2.4 In light of this, the Committee at its meeting on 16 November, 2011, considered Ms Warrender's position and the impact this was having on the remaining members. Having considered this position, along with the other membership issues, the Committee have requested that the Council consider the continued membership of Ms Robyn Warrender who due to her failure to attend meetings and undertake her allocated prison visits, has failed to satisfactorily perform her duties.

6.2.5 Also, since the decision of Council detailed above, Mr Steve Delaney (external member) has formally resigned. Therefore, at present, of the four members to be appointed by the Council to the Committee, two places are vacant, one member is continuing to fail to undertake the required duties, and Councillor Kiddie, Convener of the Committee, continues to undertake his duties.

6.3 **Appointments Required**

6.3.1 On the basis of the current position detailed above, the Council now need to:- (a) decide whether to cease Ms Warrender's appointment and subject to that decision appoint a replacement external member; and (b) make two further appointments to the Committee, and that this be either two external members **or** one Councillor and one external member.

6.3.2 Although some broad civic experience is desirable, and some knowledge of the justice system preferable, any new appointment with commitment to the role is eminently suitable, and the Scottish Prison Service and the Association of Visiting Committees provide a wide range of training opportunities for new members. Previous experience suggests that Community Councils and the Civic Forum will not yield many expressions of interest here, reflecting perhaps the likelihood that many people would find entering a prison to be a daunting prospect. **It is therefore requested that members identify any external individual who would be dedicated and keen to undertake this role and propose this person to the Council for consideration on 14 December, 2011.**

7. AUTHORISED SIGNATURE

Stewart Carruth
Director of Corporate Governance
scarruth@aberdeencity.gov.uk
(01224) 522550

8. REPORT AUTHOR DETAILS

Allison Swanson
Committee Services Officer
aswanson@aberdeencity.gov.uk
(01224) 522822

9. BACKGROUND PAPERS

No background papers were used as a point of departure for writing this report.

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ABERDEEN CITY COUNCIL

COMMITTEE	Council
DATE	14 December 2011
DIRECTOR	Pete Leonard
TITLE OF REPORT	Housing for Varying Needs Review
REPORT NUMBER:	H&E/11/229

1. PURPOSE OF REPORT

The purpose of this report is to inform Members of the key outcomes identified within the Review of Housing for Varying Needs (Sheltered and Very Sheltered Housing) and to seek agreement on the strategic direction identified within the report.

It should be noted that the housing support services referred to throughout this report relate to the warden type services provided by the Senior Personal Carer (who leads the integrated support service) in sheltered and very sheltered housing.

The full Report is attached as Appendix A.

2. RECOMMENDATION

It is recommended that Council:

- 2.1. Agree to continue with the current integrated service approach to the delivery of housing support for our tenants.
- 2.2. Agree to develop a four tier model of service provision to ensure a more person centered approach to housing support services, which reflects the needs of the individuals and not necessarily where they live.
- 2.3. Instruct officers from Housing and Environment and Social Care and Wellbeing to develop an implementation plan designed to make maximum use of our existing housing stock, develop a more person centered approach to housing support.
- 2.4. Note that proposals concerning the future use of individual properties/developments will be submitted to the Housing & Environment Committee for consideration.
- 2.5. Agree that officials enter into discussions with RSL's to ensure an equitable and consistent approach to housing and service provision.

3. FINANCIAL IMPLICATIONS

3.1. The cost of the housing support service provided by Senior Personal Carers for 2010/2011 was £3.57 million across 49 sites. This figure includes some non-recurring costs associated with the provision of additional staff to support tenants whilst housing improvements were being undertaken.

3.2 Funding sources are:

Supporting People Budget	£1.97 million
Housing General Fund	£1.6 million

- Income from Tenants for 2010/11 from Supporting People (SP) charges £426,033
- HRA contribution for “protected tenants” is circa £400k

3.3 Implications for approved Priority Based Budget (PBB) options include:

3.3.1 SC&W 21 – Establishment of a local authority trading arm

If the Council decide to move to transferring services for Older People and Rehabilitation to a Local Authority Trading Company (LATC) the potential advantages identified would be:

- A more responsive and innovative service that would retain the capability and capacity to provide a strategic response to emerging trends, needs and challenges
- Skill base and budgets will be aligned with new service delivery models.

3.3.2 H&E PBB Options has identified potential savings from the Housing Support Budget:

HE_HCS_SO3(i)	Reduce Housing Support Budget by 10%	£250K
HE_HCS_SO3(ii)	Reduce Housing Support Budget by additional 10% (Total reduction 20%)	£250K (£500K in total)
HE_HCS_SO3(iii)	Reduce Housing Support Budget by additional 30% (Total reduction 50%)	£750K

- 3.4 Any change to protection/housing benefit passporting for tenants currently exempt from charge may achieve additional income. It is not possible to provide an estimate of value at this time as tenants would be financially assessed to determine their ability to pay.
- 3.5 Tenancies signed prior to 2003 were protected which has meant that these tenants have not been charged for the service. Those tenants who signed for their tenancy between 2003 – 2006 have either been HB passported and had no charge or been liable for the charge subject to their individual financial assessment. All tenancies created from 1 April 2006 have been liable for the charge subject to their individual financial assessment
- 3.6 The recommendations for the future use of individual sheltered housing developments contained within the full report may have implications for the Housing Improvement Programme budget. The financial implications cannot be quantified until the decisions around future use of developments are made by H & E Committee.
- 3.7 The proposal to redesign the service to develop a four tier model with a related charging framework will be the subject of a detailed report in 2012.
- 3.8 It should be noted that some additional resources may however be required to offset the costs of additional capacity required to undertake a large number of financial assessments and benefits checks, and to ensure annual financial reviews are undertaken.
- 3.9 Members are asked to note that when surveyed, 57% of respondents to the customer satisfaction survey questionnaire circulated to sheltered housing tenants agreed that charging for the warden service should be widened to include all tenants of sheltered housing.

3.10 Protected Tenants and Housing Benefit Passporting

In 2009/10, Council Leaders (COSLA) decided that the passporting of tenants in receipt of housing benefit had created an anomaly and inequality for tenants in the system. COSLA revised their guidance on the removal of the passport protection and indicated that it should only apply to new recipients of a service.

The latest 2011/12 Guidance states: “Over the past two years, the COSLA policy has been that the removal of the passport protection should only apply to **new** recipients of a service. It is now suggested that it should be open to councils to choose whether or not to remove the protection for **all** clients”

This has led to some local authorities taking the decision to remove the protection for all tenants.

4 OTHER IMPLICATIONS

4.1 Any changes to staffing levels, their remits, roles and responsibilities will be undertaken in full consultation with staff and their Trade Unions.

4.2 Legal issues around the implementation of a universal charge.

4.3 Any impact on tenants will be managed through the development of an implementation plan and individual financial assessments.

4.4 Communication with tenants has been ongoing throughout the duration of the review through contact with the Sheltered Housing Network/Forum and articles included within Newsbite. A communication and involvement strategy forms part of the action plan for implementation. This will include specific consultation with tenants in each development.

5. BACKGROUND/MAIN ISSUES

5.1 The Review of Housing for Varying Needs (sheltered and very sheltered housing) stock was the subject of a report to Housing and Environment Committee on 19 November 2009. The Committee resolved:

“ to authorise officers to undertake a review of existing provision, in terms of quality and quantity, and prepare a Housing Need and Demand Analysis to identify the future requirements for the provision of extra care housing

Subsequent update reports were submitted H&E Committee on 25 May 2010 (Bulletin report), 26 October 2010, 12 January 2011, 25 August 2011 and 1 November 2011.

5.2 The key areas of the review were identified as:

- The development of a strategy to meet future needs.
- A clear understanding our asset base.
- A review of our charging policy for housing support services in sheltered and very sheltered housing
- Additionally we have reviewed meal charges in very sheltered housing and
- The quality and charging for guest accommodation across our sheltered and very sheltered housing stock

The full review is attached as Appendix A. This report provides a summary of the main points.

5.3 Legislative and Policy Background

5.3.1 Sheltered and very sheltered housing provide part of a wide spectrum of accommodation options for people in need of personal care and housing support.

5.3.2 There has been a strong national policy trend to move away from more institutional types of care settings, for example nursing homes or long stay hospital beds, to services being available to support people in their own homes. The legislative framework, covers a period primarily between 1990 and 2000, and is urgently in need of updating.

5.3.3 Indeed the only guidance currently active regarding the scale of provision of sheltered housing to be provided within a local authority area, was issued by the Scottish Office in 1991. With the development of the shifting the balance of care agenda this scale of provision is no longer appropriate (for every 1000 people aged 65 or over there should be 20 very sheltered, 46 sheltered and 80 "medium (amenity) dependency" dwellings). Table 1 shows the current provision per 1000 population aged 65 and over, based on the guidance above it would suggest that our current asset profile has an over provision of sheltered housing and an under provision of both very sheltered and amenity properties.

Table 1: Rates of provision per 1000 population in Aberdeen City:

	Sheltered Housing		Very Sheltered housing		Amenity (Medium dependency)	
	Number	Rate per 1000 population	Number	Rate per 1000 population	Number	Rate per 1000 population
Council housing provision	2163	67.4	110	3.4	1673	52.1
Council and RSL provision	2598	80.9	211	6.6	1939	60.4
Suggested provision	-	46	-	20	-	80

Based on GRO 2011 mid-year estimated population of 32,105

5.3.4 The Scottish Government has recently concluded a consultation exercise on their draft national strategy for housing for older people. We now await the finalisation of the Government's strategy. The draft national strategy has been taken account of in developing this internal review of the provision of housing for older people within the city of Aberdeen.

5.4 Strategic Context

Demographics

5.4.1 The demographic pressures facing Scotland as a whole are well documented; an increase in the older population combined with the challenge of a reduction in the number of people of working age will undoubtedly increase the pressures on the public sector.

5.4.2 The overall age structure for Aberdeen City highlights a slower rate of growth in the working population when compared with the 65+ population. A particular concern is the forecasted rise in the 85+ population of 109.8% by 2033. Table 2 shows the projected population trends for Aberdeen between 2008 – 2033.

Table 2: Projected population trends 2008-2033

Age Structure – All ages			
	2008	2033	% Change
All Ages	210,400	233,796	11%
0-15	33,100	37,812	14.2%
16-24	28,732	28,734	0%
25-29	18,801	18,189	-3.3%
30-34	14,808	16,555	11.8%
35-49	45,320	49,634	9.5%
50-64	37,444	37,450	0%
65-74	16,566	21,803	31.6%
75-84	11,712	15,404	31.5%
85+	3,917	8,217	109.8%

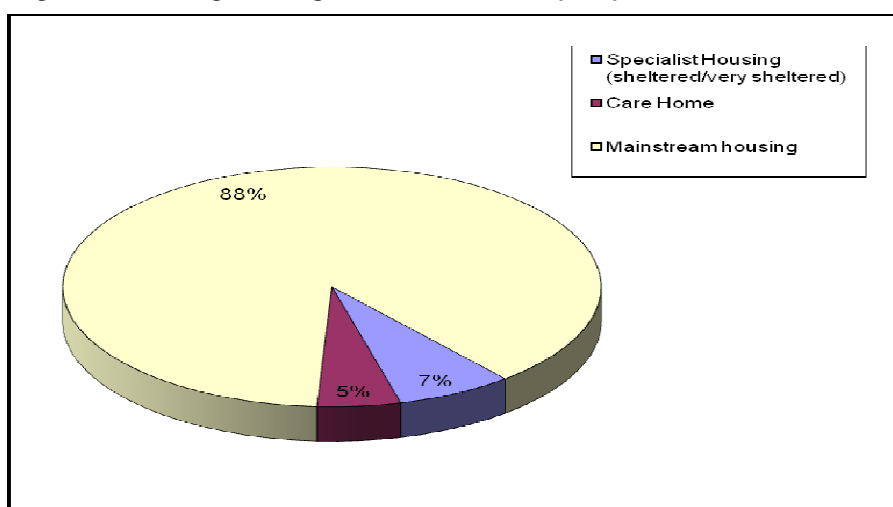
- 5.4.3 Within these projected increases, it is also anticipated that there will be an increase in the number of older people with dementia. Research by Alzheimer’s International suggests the prevalence rates in the cohort aged 85 years plus is 23.6%. Based on the projected population increase of 109.8% this would see a 91.6% increase (826 people) in the over 85 population with dementia by 2033.
- 5.4.4 The Scottish Government's key policy priority is to support people to remain at home for as long as possible, rather than in care homes or hospital settings. This is known as 'shifting the balance of care'. It is reflected in the national indicator to increase the percentage of people aged 65 and over with high levels of care needs who are cared for at home.
- 5.4.5 The combined pressures of demographic change and reductions in public expenditure provide a challenge for future service provision and provided a key driver to undertaking this review.
- 5.4.6 Appropriate accommodation, well designed, flexible and responsive support services and the use of Telecare can also contribute to a person’s wellbeing helping to maintain independence, allowing people to remain at home.

5.5 Current Housing provision and Specialist Housing Services

Where people live

5.5.1 In Scotland, 90% of older people live in mainstream accommodation, 5% in Care Homes and 5% in some form of specialist housing. This is broadly similar to the profiles in Aberdeen as illustrated in Figure 1 with 7% of older people living in specialist housing such as sheltered or very sheltered housing.

Figure 1: Living arrangements of older people in Aberdeen



Source: Census 2001

5.5.2 The Review of Sheltered Housing in Scotland, 2008 carried out by Consultants on behalf of the Scottish Government identified problems arising from the age and quality of some sheltered housing stock, which no longer meets accessibility requirements, is poorly located and has poor space standards. It has also become increasingly difficult to maintain the traditional model of warden services, with overnight cover, in sheltered housing for a number of reasons, most prominently the requirements of the EU Working Time Directive and availability of funding for housing support.

Service Provision

5.5.3 In 2007 through the Transformation of Adult Services, Aberdeen City Council made the decision to integrate the former Sheltered Housing Warden Service and the Home Care Service. This allowed us to maximise resources and provided a framework for improving services delivered to the people who used them.

- 5.5.4 Housing support services are provided by senior personal carers who provide on-site services from 8 am – 6 pm. The out of hours service 6 pm – 8 am is provided by a mobile warden service who will respond to emergencies, illness and some security issues overnight. Our very sheltered housing services have 24 hour on-site waking-night staff.
- 5.5.5 During the last 4 years, this new model of combining housing with high levels of care have been developed in the City, has offered a real alternative to residential care homes.
- 5.5.6 Implementation has reduced duplication and costs, increased understanding between the housing and social care services and has opened up opportunities for shared learning across health, housing and social work services in the design of services to meet the needs of people who use services.
- 5.5.7 The introduction of small dedicated Care and Support teams in each of our sheltered housing complexes has provided flexible and responsive services which have been beneficial to many of our tenants and supporting the shifting the balance of care agenda. Flexible care and support has been shown to support;
- Timely hospital discharge
 - Fewer people moving to care homes
 - Unpaid carers supported to continue their vital caring role
 - Best value
 - Balancing security and risk
- 5.5.8 Providing a stimulating environment is another key element in improving wellbeing and quality of life. Many of our complexes have vibrant and meaningful activities though this is not universal and the recruitment of wellbeing coordinators will seek to address this along with our Tenants Participation Officers.
- 5.5.9 Assistive technology/telecare is as yet an under-used resource. It can provide a solution for physical and cognitive impairments, counteract isolation, monitor risk and promote safety for people with dementia. This is also being addressed through the development of our telecare team and responder service.

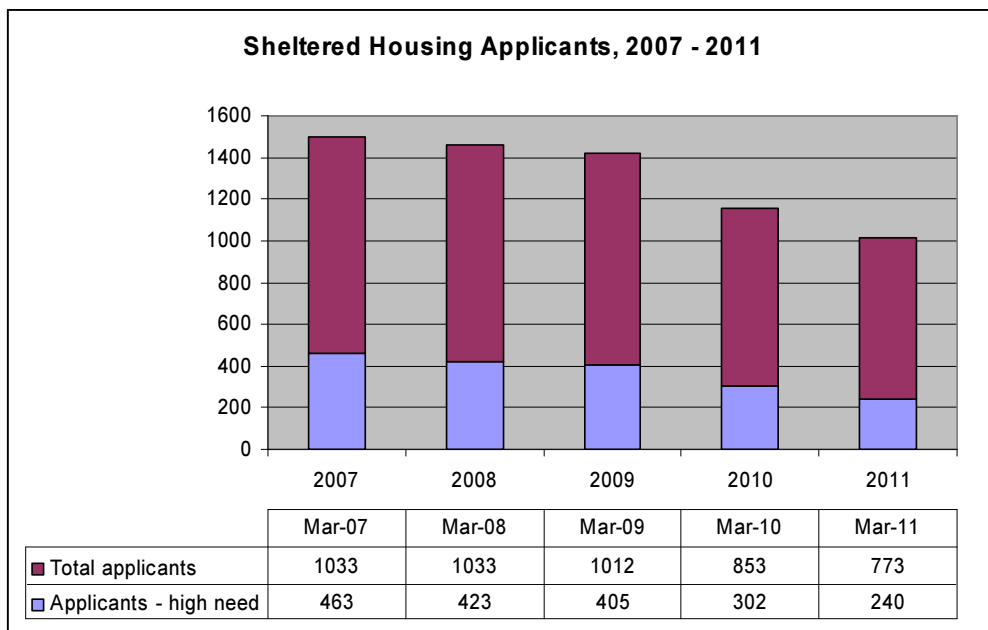
5.5.10 Good diet and nutrition are important factors in promoting health and wellbeing. The provision of the meals service in the City, and the provision of a cooked meal in very sheltered housing is an important part of the service, providing the tenants not just with a nutritious meal but an opportunity for social interaction and reduction of isolation.

5.5.11 Aberdeen City Council can take credit for being forward thinking and responsive, and in recognition of our awareness of the changing environment, this review aims to set the strategic and operational development of our housing with support for older people for the next 25 years.

5.6 Demand

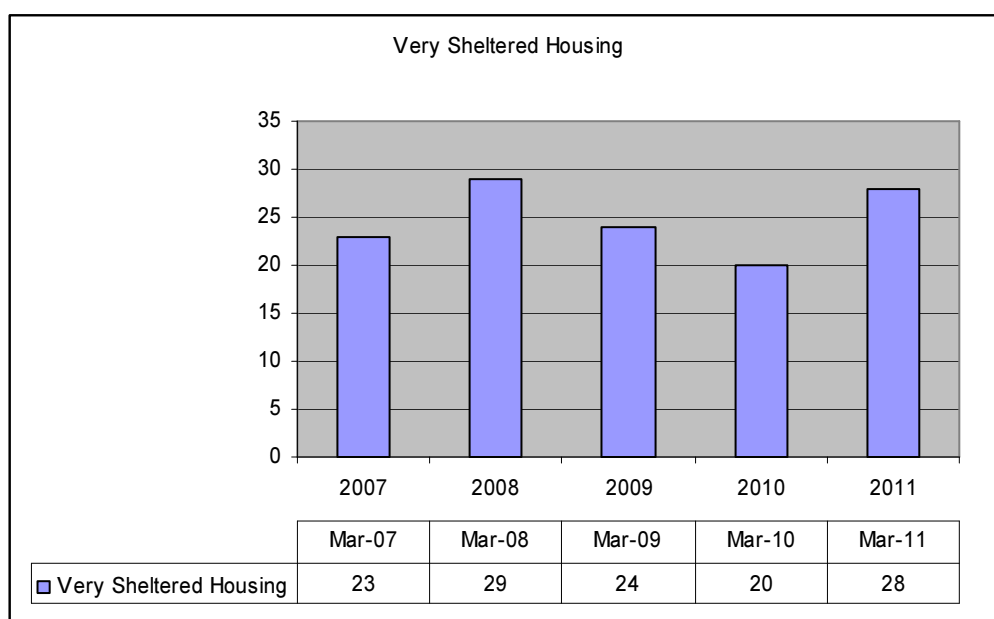
5.6.1 The Housing Needs and Demand Assessment (HNDA) has highlighted that of the older households living in the community around 7 in 10 were owner occupied and most others were living in general or specialist social rented housing. Table 3 shows that there has been a slow but steady decline in the number of people on ACC waiting list for sheltered housing over the last five years. This may at first appear incongruous with the ageing population but when you consider the demographic profile coupled with the increased number of owner occupiers together with the success of our policy around shifting the balance of care, in keeping people in their own homes for longer this trend is understandable, and potentially likely to continue.

Table 3: Number of applicants for sheltered house as at 31 March 2007 - 2011



5.6.2 Applications for very sheltered housing have remained fairly stable as illustrated in Table 4 below, however there is some evidence to suggest that the lack of availability means that people who require the level of support provided in very sheltered model are moving to care homes.

Table 4: Number of applicants for very sheltered house as at 31 March 2007 - 2011



5.6.3 The demand for very sheltered housing appears to be very low, however, this is somewhat led by availability and there is some evidence to suggest that people are moving to care home facilities due to the perceived lack of provision.

5.7 Benchmarking

5.7.1 A benchmarking exercise was carried out to compare provision and demand in other Scottish cities. The results are given below. Table 5 shows that although Aberdeen City Council has the highest number of properties (1,673) this forms only 9.5% of the Council's total stock. Dundee has the highest proportion, with 16% of their stock designated as sheltered housing, although it should be noted that they are currently reducing the levels of provision as part of their sheltered housing review. Glasgow Housing Association provides the lowest level of specialist housing for older people, however this should be viewed with caution as their stock transfer programme may have seen this transferred to other providers.

Table 5: Stock levels as at 1 April 2011

	Stock	Sheltered	% of Stock	Very Sheltered	% of Stock	Amenity	% of Stock
Aberdeen	22,704	2,163	9.5	110	0.5	1,673	7.4
Edinburgh	20,910	1,118	5.3	0	0.0	1,715	8.2
Dundee	13,379	2,115	15.8	73	0.5	61	0.5
Glasgow HA	59,181	823	1.4	187	0.3	0	0.0

5.7.2 In terms of demand the other authorities seem to be experiencing a similar, slow but steady trend of reducing numbers of applicants.

Table 6: Levels of demand for sheltered housing

Number of applicants	Mar-07	Mar-08	Mar-09	Mar-10	Mar-11
Aberdeen City	1033	1033	1012	853	773
Aberdeenshire	734	804	791	748	736
Dundee	1145	1076	845	n/a	n/a
Edinburgh	n/a	n/a	n/a	n/a	n/a
Glasgow HA	n/a	n/a	1491	1474	1250

[Notes: (1) Glasgow HA advises that the reduction 2011 is linked to transfer of stock as part of the 2nd stage transfer. (2) Aberdeenshire advises reduction in past two years is in marked contrast to the continued increase of the general needs housing waiting list in Aberdeenshire. (3) Dundee are unable to provide figures for 2010/11. Dundee City Council has reduced it's stock by 929 units between 2001-09 and has seen a reduction in demand.]

5.8 Understanding our Asset Base

5.8.1 The review has given careful consideration to the quality and quantity of the existing provision of sheltered and very sheltered housing with particular regard to its type, condition, suitability, future potential and also user feedback from tenants and also Aberdeen City Council staff.

5.8.2 In order to understand our asset base we have compiled Asset Profile Sheets for each of our 49 sheltered and very sheltered housing developments.

5.8.3 The Asset profile sheet provides information on:

- Overview of the development
- Sustainability
- Financial viability
- View of tenants
- Views of staff in Housing and Environment and on-site Social Care and Wellbeing.

An example is attached as Appendix 1 of the strategic review report which is attached (as Appendix A).

5.8.4 This provided the basis for developing a scoring matrix to capture the key information and rank the development to enable us to make recommendations around future use.

5.8.5 The scoring matrix employed a weighting system with factors considered as:

Table 7: Factors considered within the scoring matrix

Factor	Factors considered	Weighting
Physical condition	type, age, remaining life of accommodation	20%
Financial viability	energy efficiency, rental income, void rent loss, support costs	10%
Fit & appropriate for service	potential of building to meet current needs, style of the building, ease of providing support and care, staff and tenants views	25%
Location and amenity	capacity for improvement, demand from applicants, accessibility to outside amenities, tenants views	20%
Future potential	demand, applicants priority, building costs, potential for meeting higher level needs, alternative provision	25%

5.8.6 The factors are not mutually exclusive and some factors will be considered in more than one element where appropriate.

5.8.7 The assessments were carried out by a panel of project staff from housing management, allocations, housing strategy, asset policy/property management and older people and rehabilitation services.

5.8.8 A copy of the scoring matrix is contained within the full report.

5.8.9 The information provides the basis for a recommendation on future use of each development. This will be the subject of a future report to Housing and Environment Committee.

5.9 Charging Policy

5.9.1 The charges applicable to tenants living in sheltered and very sheltered housing tenants include:

- Rent
- Housing Support Charge (Senior Personal Carers, former warden service)
- Meals provision applicable only in very sheltered housing complexes
- Heat with rent charge
- A charge may be applied to tenants under 65 for personal care, which is subject to financial assessment.
- Personal care is provided without charge for those aged 65 and over.
- Council Tax
- Electricity for domestic use
- Window cleaning

5.9.2 The charges to tenants for Housing Support Services in Aberdeen City have not been increased since the Council approved their introduction in May 2005.

5.9.3 The charges for non-residential services are implemented in line with legislation and updated guidance aimed at standardising policies across Scotland since its introduction in 2003. The charges for most other non-residential care services provided by Aberdeen City Council have been subject to an uplift year on year.

5.9.4 The Scottish Parliament introduced legislation from 1 July 2002 that means that subject to an assessment of need, people aged 65 years and over are entitled to free personal care in their own home.

5.9.5 Personal care is defined to include such tasks as personal hygiene (bathing etc); continence management; problems of immobility; preparation of certain meals and assistance with eating; simple treatments and personal assistance (getting in and out of bed etc).

5.9.6 Some individuals may be required to contribute towards the cost of the services they receive. This will be subject to financial assessment. Certain exemptions currently apply and services will be provided free to:

- Service users who are receiving palliative care
- Individuals (under 60 years old) whose assessed weekly income is £113 or less
- Individuals (60 years and over) whose assessed weekly income is £161 or less

Housing Support Services only:

- Housing support services, including sheltered are currently provided free to service users in receipt of a "protected service" or a designated short term service as per the Housing (Scotland) Act 2001 and Scottish Government Guidance.

5.9.7 Services relating to this report that are covered by the charging policy are restricted to the following non-residential services:

- Warden services provided by Senior Personal Carer:
 - Very sheltered housing - £29.26 per week
 - Sheltered housing - £19.70 per week
 - Sheltered housing cottages - £12.80 per week
 - Community Alarm/telecare - £1.36 per week

5.9.8 People who received a care at home service in addition to housing support services may also be eligible for:

- Homecare (personal care) for older people aged 65 and over - no charge
- Homecare (personal care) for people under 65 Years - £15.05 per hour

5.9.9 Services are based on an individual's assessed needs and never on their ability to pay. Each person is offered a financial assessment, which will determine how much, if anything, they may be required to pay towards the cost of their services. A charge will only be made if their assessable income is over the income threshold set by the Council. Therefore many service users will pay nothing. Under no circumstances will they be charged more than the actual cost of providing the services they receive.

5.9.10 An individual may choose not to provide us with financial details. In this case we will be unable to make an assessment and the full charge will be made for the services received.

5.10 Housing Support /Supporting people

5.10.1 Supporting People (SP) was introduced in 2003 to provide an integrated policy and funding framework for housing support services, which may be delivered in supported accommodation or as a visiting service for people living in their own home. The Supporting People budget was ring-fenced until April 2009.

5.11 National Policy and Key Developments

5.11.1 Previously the warden services was funded from the Housing Revenue Account and general fund but the introduction of SP meant that the costs could not be borne by the HRA as they were not eligible for Housing Benefit.

5.11.2 It is the responsibility of local authorities and their partners, including health agencies to assess the overall levels of need in their area and commission appropriate services to meet those needs.

5.11.3 Strategic planning for Supporting People (SP) is linked to the Local Housing Strategy and other local plans for community care, health improvement, social inclusion etc. Services are also subject to quality monitoring, through registration and inspection by the Care Inspectorate, and contract compliance procedures.

5.12 What is Housing Support?

5.12.1 Housing support involves one or more of 21 specified tasks that are collectively designed to enable someone to maintain their tenancy in or occupancy of their home. (Included as Appendix 10 of the strategic review report attached as Appendix A).

5.12.2 Housing support providers may also provide personal care and support or practical home help assistance; the costs of personal care needs are met by Social Care and Wellbeing.

5.12.3 Sheltered Housing Tenants Views on the current charging policy suggest that the majority of those who responded to the following questions find it unfair (67.2%) and 57.2% felt that the Council should consider widening the current system to financially assess all tenants on their ability to pay for the support services.

Table 8: Tenants views, Customer Satisfaction Survey, May 2010

	Agree	Disagree	Strongly Disagree	Total
a) The current system of only some tenants paying for the support service is fair	395 (32.8%)	380 (31.5%)	430 (35.7%)	1205 (100%)
b) The Council should consider widening the current system to financially assess all tenants in sheltered housing, on their ability to pay for support services, regardless of their date of occupation	671 (57.2%)	209 (17.8%)	294 (25%)	1174 (100%)

5.12.4 A snap shot taken in October 2011 gives an indication of the current position in relation to charging for the housing support service provided in sheltered and very sheltered housing:

- 907 financial assessment were processed:
 - Full charge – 482
 - Partial charge – 73
 - Nil charge – 352
- Financial information was not available for around 1290 individuals as financial assessment have not been carried out:
 - 1050 protected tenants up to 31/03/2006
 - 200 assessments being processed
 - 40 void properties

5.12.5 The charge is capped at 75% of the cost of service provision as per Council decision on 2 May 2005. This charge has been applied for last six financial years with no increase to the tenant unless financial circumstances change.

5.12.6 The total income:

- Total annual income from SP charges £426,033
- HRA contribution for “protected tenants” circa £400,000

5.12.7 The collection of this income is general fund and managed by Social Care and Wellbeing Service.

5.13 Proposed changes to Service model:

5.13.1 Discussions with Social Care and Wellbeing and tenants would suggest that changes to the current provision are required. The review highlights that we appear to have an overprovision of sheltered housing, with some of our stock designated as “low-

demand” whilst other developments would appear to lend themselves to a different model of housing, either very sheltered or amenity. It is proposed that to ensure that we have a flexible model of support that will meet the needs of individuals now and in the future we develop a four tier model of service provision:

- 5.13.2 Level 1 – Amenity or mainstream housing with option of community alarm/telecare. Response services would be provided by unpaid Carers generally family or friends. This service is currently available through Community Alarm and the charge is currently set at £1.36 per week.
- 5.13.3 Level 2 – Amenity⁺ housing with community alarm/telecare services with emergency response provided through a peripatetic, mobile responder service - charge to be determined.
- 5.13.4 Level 3 – Sheltered housing with on-site Integrated Care at Home Service and 24 hours responder service. This may be on site 08:00 – 18:00, seven days per week or with resources shared between a number of sites where appropriate to meet the requirements of the tenants. The current charge for service in sheltered housing is £19.70 per week, any revised level to be determined.
- 5.13.5 Level 4 – Very sheltered housing with on-site support and care provided 24:7 and meals service provided by our Integrated Care at Home Service. The current level of charge is £29.26 per week, any revised level to be determined, plus meals charges.

5.14 Implementation:

- 5.14.1 Following agreement from Council on the future strategic direction it is proposed to bring forward detailed proposals around re-design and charges for services.
- 5.14.2 A detailed implementation plan with proposal for each development will be submitted to Housing and Environment and Social Care & Wellbeing Committees.

6. IMPACT

The Community Plan sets out our vision for the future of the city. Our vision is a city which is vibrant dynamic and forward looking - an even better place to live and work, where people can expect high quality services to meet their needs.

This proposal meets with the following VD&FL objectives:

- Homes Challenge – improving the quality of housing and environment for individuals and the community and eradicating homelessness by 2011.
- Adopt and implement strategies to support independent living for people with special needs.

The outcomes of the review are intrinsically linked to the proposals put forward within the 5 year Corporate Business Plan and the HRA Business Plan.

This report also relates to the National Outcome Measures:

- “National Outcome 6 – We live longer, healthier lives”, in particular the review will look at how we can respond to the needs of the “ageing population”.
- National Outcome 7 – We have tackled the significant inequalities in Scottish Society
- National Outcome 10 – We live in well-designed, sustainable places where we are able to access the amenities and services we need”
- National Outcome 15 - “Our public services are high quality, continually improving, efficient and responsive to local people's needs”
- National Outcome 9 - *A Safer and Stronger Scotland* - The Government's Safer and Stronger strategic objective is to help local communities to flourish, becoming stronger, safer places to live, offering improved opportunities and a better quality of life.
- National Outcome 11 – “We have strong, resilient and supportive communities where people take responsibility for their own actions and how they affect others”

The recommendations within this report will treat citizens equally in terms of race, gender, LGBT and belief and have a positive impact on older people and people with disabilities. A full Equalities and Human Rights Impact Assessment has been undertaken in relation the outcome of the Review.

7. BACKGROUND PAPERS

The Aberdeen City and Aberdeenshire housing Needs & Demand Assessment 2010 (www.aberdeencityandshire-spda.gov.uk/AboutUs/HNDA.asp)

- Housing Statistics for Scotland 2011: Key Trends Summary 2011, Scottish Government (<http://scotland.gov.uk/Topics/Statistics/Browse/Housing-Regeneration/HSfS>)

- Wider Planning for an Ageing Population – Housing and Communities Consultation on the Workstream Report and its suggested actions, Scottish Government, 2010
- Reshaping Care for Older People, Scottish Government, 2010
- Age, Home and Community: A Draft Strategy for Housing for Scotland’s Older People: 2012-2021 Consultation, Scottish Government 2011
- COSLA Guidance on Charging for Non-residential services 2011/12 – web link
<http://www.ccpscotland.org/assets/files/hseu/information/consultations/COSLA%20Charging%20Guidance%202011.doc>
- The Review of Sheltered Housing in Scotland, York Health Economic Consortium (YHEC) on behalf of Scottish Government, 2008
- Housing for an Ageing Population, Department of Health, 2007
- Better Outcomes for Older People Framework for Joint Services for Older People, Scottish Executive, 2004
- Changing Lives: Report of the 21st Century Social Work Review, Scottish Executive, 2006
- Shifting the Balance of Care, Joint Improvement Team
<http://www.shiftingthebalance.scot.nhs.uk/>
- National Telecare Programme (2006) - “Seizing the Opportunity: Telecare Strategy 2008-2010”

8. REPORT AUTHORS DETAILS

Dorothy Askew
Community Care Strategy Officer
Email: daskew@aberdeencity.gov.uk
Tel: 01224 52(2127)

Heather Stadames
Service Manager Older People & Rehabilitation
Email: hstadames@aberdeencity.gov.uk
Tel: 01224 81(4606)

Housing for Varying Needs Review



Images from our Sheltered Housing Forum meetings 2011

A Strategic Review of our Sheltered and Very Sheltered Housing

December 2011



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1. Introduction

1.1. In November 2009, the Council Housing and Environment Committee agreed to undertake a review of its Housing for Varying Needs stock, which includes sheltered and very sheltered housing (the Review). There were a number of reasons for undertaking this review:

- Demographic projections of a significant increase in the older population.
- Local and national policies and priorities.
- A need to ensure our stock is fit for the future and meets the needs and aspirations of our tenants.
- A need to review the housing support services provided in our sheltered and very sheltered housing to ensure they provide value for money and can be sustained in the future.

1.2. The Aberdeen City and Aberdeenshire Housing Needs and Demand Assessment, published in 2010, highlighted the demographic projections that predict a marked increase in the number of older people coupled with the projected a significant reduction in the working population in Aberdeen City. This profile is even more marked in our neighbouring authority, Aberdeenshire as can be seen in Table 1.

Table 1: Population aged 50 years and above

Population aged 50+	2008	2033	Increase
Aberdeen City	69,639	82,874	13,235
% of total population	33%	35%	19%
Aberdeenshire	89,600	128,505	38,905
% of total population	33%	49%	30%
Aberdeen city and Aberdeenshire population	159,239	211,379	52,140
% of total of Aberdeen City and Aberdeenshire population	35%	42%	33%

Source: Aberdeen City and Shire HNDA, 2010

- 1.3. The Scottish Government has a longstanding policy of 'shifting the balance of care'. This means supporting people to remain at home for as long as possible, rather than in care homes or hospitals. This is supported by the introduction of the Reshaping Care for Older People Programme, which embraces the role that housing plays in people's health and wellbeing.
- 1.4. The Council's Business Plan, "The Next Five Years" introduced Priority Based Budgeting (PBB). Included within this is a proposal to move towards an arms-length organisation for the delivery of older peoples services through the mechanism of a Local Authority Trading Company (LATC). This will not impact on the direct service provision and fits with

the strategic direction for modernising sheltered and very sheltered housing service.

1.5. The current priorities and drivers for change include:

- Increasing levels of demand and complexity of need
- Severe constraints in public sector finance
- Increased cost of care and support delivery
- Maintaining the commitment to personalisation and choice
- Drive to improve outcomes and quality of service
- The opportunity to develop new models of service delivery
- Recruiting, training and shaping the required workforce

1.6. In order to meet these pressures we have acknowledged the need to modernise the Council's sheltered housing accommodation and service, in line with these policy trends and demographics to ensure that it is fit for the future.

1.7. A scoping document was produced, to inform the structure and content of the Review. The main themes were identified as:

- **Audit of current provision** – an asset profile sheet has been completed for each of the Council's sheltered housing developments. The profile sheet provides an overview of the development and information on:
 - Sustainability,
 - financial status,
 - planned maintenance and improvements,
 - views of Housing and Environment and Social Care and Wellbeing staff,
 - tenants views,
 - conclusion and an
 - action plan.

An example is attached at Appendix 1.

- **Assessment of current and future needs** – an analysis of demographic projections, waiting lists for sheltered and very sheltered housing; a review of current provision and a review of allocations policy.
- **Define a model for the future provision of housing and support services for older people** – development and analysis of a range

of service delivery models that can enable us to meet projected increased demands and acknowledges the important links between sheltered housing and other models of accommodation and support provision.

- **Costs and implementation options** – examination of the financial implications of any change to current accommodation and services to meet the future role of sheltered housing.
- 1.8. A project team and associated sub-groups were formed to agree the scope and carry out the work associated with the Review.
 - 1.9. The Terms of Reference (ToRs) for the Review Group and its sub-groups: Asset Management and Voids and Charging Policy and Allocations were agreed and are attached as Appendix 2.

Draft

2 Housing for Varying Needs – Executive Summary

2.1 Over the past 12 months the Review has been taken forward by senior staff from the Housing and Social Care and Wellbeing services and stage one of this review is nearing completion. The report highlights the need for Aberdeen City Council (ACC) to modernise the way that it responds to the needs of individual tenants.

2.2 The review has looked in detail at the following

- 2.2.1 The changing demographics that are likely to impact on the service demand over the next 25 years.
- 2.2.2 The Review has considered trends for demand for sheltered accommodation and very sheltered accommodation within Aberdeen City and has sought to benchmark this against other local authorities.
- 2.2.3 The Review has given careful consideration to the quality and quantity of the existing provision of sheltered and very sheltered housing with particular regard to its type, condition, suitability and also user feedback from tenants and also ACC staff.
- 2.2.4 The Review has considered the way costs for Housing Supports have been met as introduced by ACC, over the past decade, which took account of the introduction of and subsequent changes to the Supporting People (SP) funding regime. The report will recommend that stage two of the review brings forward specific funding arrangements to meet a more flexible housing support provision. Any changes to services and charging policy will impact on both ACC and Registered Social Landlord (RSL) tenants.

2.3 Findings-

The key findings were

- Demand for sheltered housing is falling,
- A potential increase in demand for very sheltered housing,
- There is a need/opportunity to review investment in and use of individual developments.
- The current charging policy urgently needs to be reviewed,
- Charges need to reflect the individual needs of tenants,
- Current charging policy has little support from tenants,
- The need to develop a more person centred approach to support.

2.4 Recommendations –

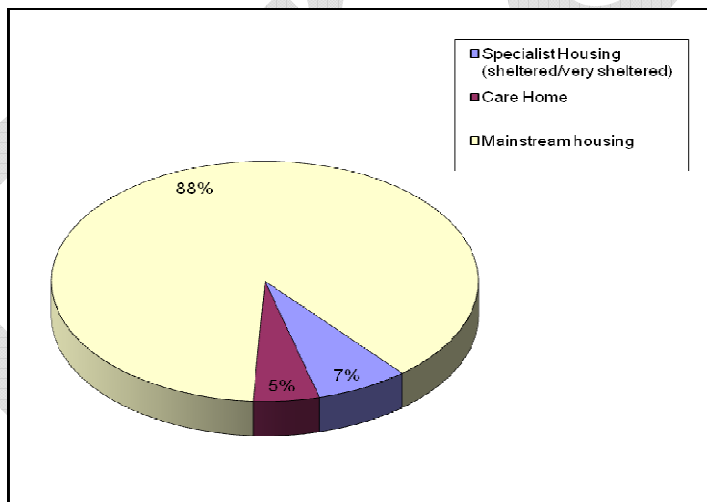
The Review will recommend the following –

- That Council agree to continue with the current integrated service approach to the delivery of support for our tenants
- That Council agree to develop a four tier model of service provision to ensure more person centred approach to housing support, which reflects the needs of the individuals and not necessarily where they live.
- That Housing and Environment and Social Care and Wellbeing should develop an implementation plan designed to make maximum use of our housing existing stock and develop a more person centred approach to housing support.
- Decisions concerning the future use of individual properties/developments will be submitted to the Housing and Environment Committee for agreement.
- That officers enter into discussions with RSL's to ensure an equitable and consistent approach to housing and service provision.

3. Strategic context

- 3.1 Sheltered and very sheltered housing provide part of a wide spectrum of accommodation options for people in need of care and support. Over the last few years there has been a strong national policy trend to move away from some of the more institutional types of care setting, for example nursing homes or long stay hospital beds, to services available to support people in their own homes.
- 3.2 The Scottish Government's key policy priority is to support people to remain at home for as long as possible, rather than in care homes or hospital settings. This is known as 'shifting the balance of care'. It is reflected in the national indicator to increase the percentage of people aged 65 and over with high levels of care needs who are cared for at home.
- 3.3 In Scotland, 90% of older people live in mainstream accommodation, 5% in care homes and 5% in some form of specialist housing. This is broadly similar to the profiles in Aberdeen with only 7% of older people living in specialist housing such as sheltered or very sheltered housing as illustrated in Figure 1 below:

Figure 1: Living arrangements of older people in Aberdeen



Source: Census 2001

- 3.4 In order to consider options for the future strategic direction of housing for older people, it is important to try to map out needs. It should be noted that there is actually very little in the way of reliable methodology to allow this needs projection to be made accurately. In 1997, The Scottish Office published guidance on the prevalence method of estimating housing and community care needs within a population. This was used in the preparation of the HNDA.

- 3.5 The demographic pressures facing Scotland as a whole are well documented; an increase in the ageing population combined with the challenge of a reduction in the number of people of working age will undoubtedly increase the pressures on the public sector.
- 3.6 The overall age structure for Aberdeen City highlights a slower rate of growth in the working population when compared with the 65+ population. A particular concern is the forecasted rise in the 85+ population of 109.8% by 2033. Table 2 below shows the projected population trends from 2008 to 2033.

Table 2: Projected population trends 2008-2033

Age Structure – All ages			
	2008	2033	% Change
All Ages	210,400	233,796	11%
0-15	33,100	37,812	14.2%
16-24	28,732	28,734	0%
25-29	18,801	18,189	-3.3%
30-34	14,808	16,555	11.8%
35-49	45,320	49,634	9.5%
50-64	37,444	37,450	0%
65-74	16,566	21,803	31.6%
75-84	11,712	15,404	31.5%
85+	3,917	8,217	109.8%

Source: HNDA 2010

- 3.7 Within these projections, it is also anticipated that there will be an increase in the number of older people with dementia. Research by Alzheimer's International suggests the prevalence rates in the cohort aged 85 years plus is 23.6%. Based on the projected population increase of 109.8% this would mean a 91.6%, (826 people) increase in those with dementia.
- 3.8 There is evidence to suggest that whilst an increasing number of people with dementia and those with long-term life limiting conditions are surviving for longer they are less well and will have more complex needs that require a personalised service to meet their support needs.
- 3.9 The Scottish Government has recently concluded a consultation exercise on "Age, Home and Community" their draft national strategy for housing for older people, 2012-2021. We now await the finalisation of

the strategy but have taken account of this key document in developing this internal review of the provision of housing for older people within the city of Aberdeen.

4 Legislative and Policy Background

- 4.1 The local policy decision to undertake the Review was the subject of a report to the Housing and Environment Committee on 19 November 2009. The Committee resolved:

“ to authorise officers to undertake a review of existing provision, in terms of quality and quantity, and prepare a Housing Need and Demand Analysis to identify the future requirements for the provision of extra care housing

Subsequent update reports were submitted on 25 May 2010 (Bulletin report), 26 October 2010, 12 January 2011, 25 August 2011 and 1 November 2011, with a final report to Council on 14 December 2011.

- 4.2 Appendix 3 provides the current definition of amenity, sheltered and very sheltered used by The Scottish Government, which is fairly technical, and focuses quite heavily on the physical design of the property.
- 4.3 The legislative framework around the provision of sheltered housing, covers a period primarily between 1990 and 2000, and is urgently in need of updating.
- 4.4 Indeed the only guidance currently active regarding the scale of provision of sheltered housing to be provided within a local authority area, was issued by the Scottish Office in 1991 and clearly with the development of the shifting the balance of care agenda this scale of provision may no longer appropriate (for every 1000 people aged 65 or over there should be 20 very sheltered, 46 sheltered and 80 “medium dependency” dwellings). Table 3 below shows how this compares with the current provision in Aberdeen:

Table 3: Rates of provision per 1000 population in Aberdeen City:

	Sheltered Housing		Very Sheltered housing		Amenity (Medium dependency)	
	Number	Rate per 1000 population	Number	Rate per 1000 population	Number	Rate per 1000 population
Council housing provision	2163	67.4	110	3.4	1673	52.1
Council and RSL provision	2598	80.9	211	6.6	1939	60.4
Suggested provision	-	46	-	20	-	80

Based on GRO 2011 mid-year estimated population of 32,105

- 4.5 This suggests an over provision of sheltered housing provision with an under provision in both very sheltered and amenity housing.
- 4.6 A summary of the key legislative and main policy drivers relating to this Review is attached as Appendix 4.

5 Audit of Current Demand and Provision

- 5.1 The Review of Sheltered Housing in Scotland carried out by York Health Economic Consortium (YHEC) on behalf of the Scottish Government in 2008, identified problems arising from the age and quality of some sheltered housing stock, which no longer meets accessibility requirements, is poorly located and has poor space standards.
- 5.2 The national review acknowledged that it has also become increasingly difficult to maintain the traditional model of warden services, with overnight cover, in sheltered housing for a number of reasons, most prominently the requirements of the EU Working Time Directive and availability of funding for housing support
- 5.3 This section of the Review looks at the sheltered, and very sheltered, housing that is available in the City. Whilst the Review has concentrated predominately on Council provision, the role of RSLs has also been considered.
- 5.4 The design and type of sheltered housing differs across the city including purpose built developments, low rise flatted developments, multi storey flats and cottages. . A list ACC stock, showing the area, property type, age and number of units is attached as Appendix 5.

- 5.5 The facilities provided also vary from development to development. A warden call and/or Telecare system is provided in all of the Council's sheltered housing developments. Many of these have been in place for a considerable period of time and a significant number require upgrading to ensure they are fit for the future and compatible with current technology and expectation
- 5.6 ACC has a total of 2163 sheltered houses and 110 very sheltered homes throughout the city. We also have 1,673 amenity properties that are suitable for older people (aged 55 plus) or people with a disability. Details are given at Table 4 below.

Table 4: ACC stock suitable for older people or people with a disability

Housing Type	Cottage	Flat	Multi	Total stock (as at October 2011)
Very Sheltered Housing/Extra Care*	Nil	110	Nil	110
Sheltered	212	803	1148	2163
Amenity	1425	116	132	1673

*Extra care properties are located at Coronation Court where a 24 hour service similar to very sheltered housing is provided.

- 5.7 ACC is the largest provider of sheltered and very sheltered housing but the RSL and private sector also plays an important role.
- 5.8 Castlehill Housing Association, Hanover Housing Association, Tenants First Housing Co-operative and VSA (Agecare) provide a further 13 developments providing 439 sheltered housing units. The RSL sector also has 266 amenity style properties. Table 5 illustrates provision:

Table 5: RSL Provision

Provider	Blocks	Units
Castlehill HA	7	151
Hanover HA	2	118
Tenants first HC	3	150
VSA (Agecare)	1	20
Total	13	439

- 5.9 There is a small but growing amount of sheltered (or retirement) housing available for owner occupation in Aberdeen. The Scottish Governments "house key" website identifies eight developments providing 322 houses.

5.10 There are relatively low numbers of very sheltered houses in the city, provided either by ACC or the RSL or voluntary sector. Table 6 below provides details of these:

Table 6: Very Sheltered Housing provision

Housing Provider	No of developments	No. Of units
Aberdeen City Council – Very Sheltered/Extra Care	3	110
Castlehill Housing Association	2	89
VSA (Agecare)	2	81
Total	7	280

5.11 Demand for sheltered housing is influenced by a number of factors. Table 7 below shows that there has been a slow but steady decline in the number of people on ACC waiting list for sheltered housing in Aberdeen over the last five years.

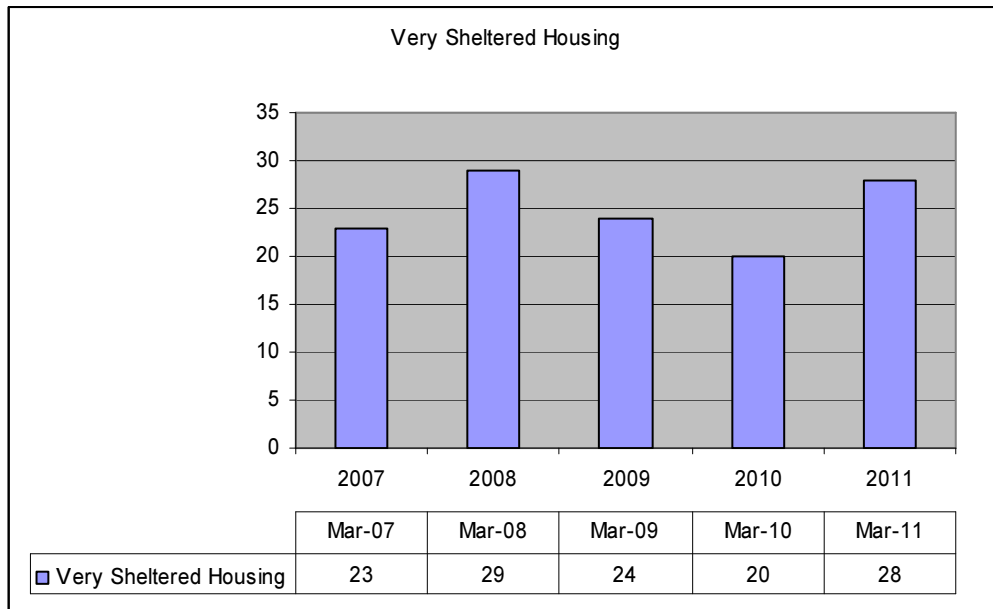
Table 7: Demand for ACC Sheltered Housing as at 31 March 2007-2011:



5.12 This may at first appear incongruous with the ageing population but when you consider the demographic profile coupled with the increased number of owner occupiers (7 out of 10 older people own their own property) together with the success of our policies around shifting the balance of care in keeping people in their own homes for longer this trend is understandable and potentially likely to continue.

5.13 The demand for very sheltered housing has remained relatively stable over this time as can be seen Table 8:

Table 8: Demand for ACC very sheltered housing as at 31 March 2007-2011:



5.14 Despite there being continuing demand for sheltered housing, albeit fewer applications in recent years, some of our developments can still be designated as hard to let. Table 9 below gives the breakdown of the 670 properties that we have identified as hard to let.

Table 9: ACC low demand stock

Stock	Cottage	Flat	Multi	Total (Oct 2011)
Low demand sheltered properties	11	76	594	670

5.15 The reasons why some properties are hard to let varies but is usually reflective of the property type, particularly multi storey flats, the area of the city, or the general condition or amenities within the particular development. Bed-sit type accommodation is particularly unpopular.

5.16 As a consequence many of our “hard to let” sheltered houses have been allocated to individuals who perhaps could not be considered as requiring sheltered accommodation and its associated support packages and charges. This has led to management difficulties where perhaps inappropriate allocations have been made.

5.17 Benchmarking

5.17.1 A benchmarking exercise was carried out to compare provision and demand in other Scottish Cities. The results are given below. Table 10

shows that although Aberdeen has the highest number of properties (1673) this forms only 9.5% of the total stock. Dundee has the highest portion, with 16% of their stock designated as sheltered housing, although it should be noted that they are currently reducing the levels of provision as part of their sheltered housing review. Glasgow Housing Association provides the lowest level of specialist housing for older people, however this should be viewed with caution as their stock transfer programme may have seen this transferred to other providers.

Table 10: Stock levels as at 1 April 2011

	Stock	Sheltered	% of Stock	Very Sheltered	% of Stock	Amenity	% of Stock
Aberdeen	22704	2163	9.5	110	0.5	1673	7.4
Edinburgh	20910	1118	5.3	0	0.0	1715	8.2
Dundee	13379	2115	15.8	73	0.5	61	0.5
Glasgow HA	59181	823	1.4	187	0.3	0	0.0

5.17.2 In terms of demand the other authorities seem to be experiencing a similar, slow but steady trend of reducing numbers of applicants.

5.18 Table 11: Levels of demand for sheltered housing:

Number of applicants	Mar-07	Mar-08	Mar-09	Mar-10	Mar-11
Aberdeen City	1033	1033	1012	853	773
Aberdeenshire	734	804	791	748	736
Dundee	1145	1076	845	n/a	n/a
Edinburgh	n/a	n/a	n/a	n/a	n/a
Glasgow HA	n/a	n/a	1491	1474	1250

[Notes: (1) Glasgow HA advises that the reduction 2011 is linked to transfer of stock as part of the 2nd stage transfer. (2) Aberdeenshire advises reduction in past two years is in marked contrast to the continued increase of the general housing waiting list in Aberdeenshire. (3) Dundee is unable to provide figures for 2010/11. Dundee City Council has reduced its stock by 929 units between 2001- 2009 and has seen a reduction in demand.]

6 Understanding our assets

6.1 In order to understand our asset base we have compiled Asset Profile sheets for each our sheltered and very sheltered housing developments.

6.2 The asset profile sheets capture information on:

- **Overview/Background** – this section provides a brief overview of the features of the development: location, type, age, support provided, charges applicable and a summary of social activities,

guest accommodation and alternative provision in the letting area. Attached as Appendix 6.

- **Sustainability** – documents the demand, summary of recent lettings, which gives an indication of how many offers, priority of the new tenants at time of offer and the number of void days.
- **Financial Position** – provides a summary of rental income, void rent loss, housing support costs, cleaning and heating costs
- **Planned Maintenance and Improvements** – provides an indication of the cost to maintain the build and any planned improvements.
- **Housing and Environment/Social Care and Wellbeing Overview** – provides the views of area housing teams, occupational therapy staff and Senior Personal Carers and on-site care team.
- **Tenants Views** – provides a summary of the responses that were returned by tenants in response to the Customer Satisfaction Survey carried out in May 2010. A copy of the survey sent to sheltered housing tenants is attached as Appendix 7.
- **Conclusion** – based on the information collated above, members of the review team met to apply the factors to a scoring matrix. This section provides a summary of the outcome.
- **Action** – indicates the next steps to be taken forward in stage two of the Review.

6.3 The information collected formed the basis for developing a scoring matrix to capture the key information and rank the developments to enable us to make recommendations relating to future use.

6.4 The scoring matrix employs a weighting scheme, factors are given in Table 12:

Table 12: Scoring Matrix

Factor	Factors considered	Weighting
Physical condition	type, age, remaining life of accommodation	20%
Financial viability	energy efficiency, rental income, void rent loss, support costs	10%
Fit & appropriate for service	potential of building to meet current needs, style of the building, ease of providing support and care, staff and tenants views	25%
Location and amenity	capacity for improvement, demand from applicants, accessibility to outside amenities, tenants views	20%
Future potential	demand, applicants priority, building costs, potential for meeting higher level needs, alternative provision	25%

- 6.5 The factors are not mutually exclusive and some factors will be considered in more than one element where appropriate
- 6.6 The assessments were carried out by a panel of project staff from housing management, allocations, housing strategy, asset policy/management and older people and rehabilitation services.
- 6.7 The weighted scores were classified A – C based on a rating of:
- A – developments scoring 8 – 10
 - B – developments scoring 5.6 – 7.9
 - C – developments scoring 0 – 5.5
- 6.8 The panel discussed each factor and then attributed a score to each element, which resulted in an overall classification for each development. The outcome of the assessments is attached as Appendix 8.
- 6.9 This matrix, as developed will facilitate decisions over coming years regarding investment and the need for both redevelopment and potential change in management arrangements for each individual sheltered housing development.
- 6.10 Clearly producing information in this format is sensitive and requires to be treated with caution, particularly as it may cause concern for existing

residents and staff. However, the purpose of the “rating” is to help us to prioritise future decisions.

- 6.11 This will provide the basis for consideration as to the future use for each property, and will enable us to take a more strategic look at how we tackle the issue of low demand in some of our existing sheltered housing blocks, when we are faced with high demand for general needs social housing across the city.

7 Modernising our Services

- 7.1 In 2007, through the Transformation of Adult Services, Aberdeen City Council made the decision to integrate the former Sheltered Housing Warden Service and the Home Care Service. This allowed us to maximise resources and provided a framework for improving services delivered to the people who used them.
- 7.2 Housing support services are provided by senior personal carers who provide on site services from 8 am – 6 pm. The out of hours service 6 pm – 8 am is provided by a mobile warden service who will respond to emergencies, illness and some security issues overnight. Our very sheltered housing services have 24 hour on-site waking-night staff. Appendix 9 provides information on the role of the Senior Personal Carer.
- 7.3 Housing Support services involves one or more of 21 specified tasks that are collectively designed to enable someone to maintain their tenancy. A list of the prescribed tasks is attached as Appendix 10.
- 7.4 During the last 4 years, this new model of combining housing with high levels of care have been developed in the City, has offered a real alternative to residential care homes.
- 7.5 Implementation has reduced duplication and costs, increased understanding between the housing and social care services and has opened up opportunities for shared learning across health, housing and social work services in the design of services to meet the needs of people who use services.
- 7.6 The introduction of small dedicated Care and Support teams in each of our sheltered housing complexes has provided flexible and responsive services which have been beneficial to many of our tenants and supporting the changing the balance of care agenda. Flexible care and support has been shown to support;
- Timely hospital discharge
 - Fewer people moving to care homes

- Unpaid carers supported to continue their vital caring role
 - Best value
 - Balancing security and risk
- 7.7 Discussions with Social Care and Wellbeing and the results of our tenants survey would suggest that changes to the current provision are required.
- 7.8 The review highlights that we appear to have an overprovision of sheltered housing, with some of our stock designated as “low-demand” whilst other developments would appear to lend themselves to a different model of housing, either very sheltered or amenity.
- 7.9 It is proposed that to ensure that we have a flexible model of support that will meet the needs of individuals now and in the future we develop a four tier model of service provision:
- 7.10 The indicative four-tier model of service provision would include:
- Level 1 – amenity or mainstream housing with option of community alarm/telecare. Response services would be provided by unpaid Carers generally family or friends. This service is currently available through Community Alarm and the charge is currently set at £1.36 per week.
 - Level 2 – Amenity⁺ housing with community alarm/telecare services with emergency response provided through a peripatetic, mobile responder service - charge to be determined.
 - Level 3 – Sheltered housing with on-site Integrated Care at Home Service and 24 hours responder service. This may be on site full time or with resources shared between a number of sites where appropriate. The current charge for service in sheltered housing is currently £19.70 per week with any revised level to be determined.
 - Level 4 – Very sheltered housing with on-site support and care provided 24:7 and meals service provided by our Integrated Care at Home Service. The current level of charge is £29.26 per week, revised level to be determined.

8 Charging Policy and Funding Mechanisms

- 8.1 The Charges applicable to tenants living in sheltered and very sheltered housing include
- Rent
 - Housing Support Charge (Senior Personal Carers, former warden service)

- Meals provision applicable only in very sheltered housing complexes
- Heating Charge
- A charge may be applied to tenants under 65 for personal care, which is subject to financial assessment.
- Personal care is provided without charge for those aged 65 and over.
- Council Tax
- Electricity for domestic use

8.2 The funding of and current charging policy for the housing support service (warden service) is complex and dependent on the tenancy start date.

- The introduction of the Supporting People (SP) programme on 1 April 2003 saw the services provided by wardens in sheltered and very sheltered housing classified and registered as a housing support service.
- Prior to 1 April 2003, these services were funded from the rent pool and general fund. Tenants whose tenancy started before this date are currently protected tenants and are exempt from charges for the duration of their tenancy.
- The sum of c£400k is paid from the Housing Revenue Account to cover these costs.
- Tenancies created between 1 April 2003 and 31 March 2006 where the tenant was in receipt of Housing Benefit were passported and are exempt from charging for the duration of their tenancy or where they had no Housing Benefit entitlement they were subject to the charge subject to a financial assessment.
- ACC made the decision to defer charging for all housing support services including warden service until 2 May 2005.
- COSLA provided guidance on charging for these services which they revised on the 1 April 2006.
- The current charge of £19.70 for sheltered and £29.26 for very sheltered housing support charges was implemented from 1 April 2006 following the revised COSLA guidance and has not been increased since that date.
- Tenancies from 1 April 2006 are subject to financial assessment irrespective of entitlement to Housing Benefit.
- If the tenant(s) declines a financial assessment then the full charge is applied.
- In 2009/10, COSLA revised their guidance on the removal of the passport protection and indicated that it should only apply to new recipients of a service.
- Further revision in 2011/12 (see below).

8.3 The charges to tenants for housing support services in Aberdeen City have not been increased since April 2006. Charges for other non-

residential care services provided by ACC have been uplifted year on year.

8.4 The Senior Personal Carer costs for 2010/2011 were £3.57 million across 49 sites. (This includes some non-recurring costs associated with additional staff to support tenants where housing improvements were being undertaken).

8.5 Funding sources currently are:

Supporting People Budget £1.97 million

Housing General Fund £1.6 million

Income from Tenants for 2010/11 from SP charges £426,034.

8.6 The Housing Revenue Account contribution for “protected tenants” is circa £400k.

8.7 A snap shot taken in October 2011 gives an indication the current charges made and received by the City Council. The key figures are as follows:

- 907 financial assessments processed.

Full Charge	482
Partial charge	73
Nil Charge	352

- 1050 protected up to 31 March 2006.

8.8 COSLA has decided that the passporting of tenants in receipt of housing benefit had created an anomaly and inequality for tenants in the system.

8.9 The 2011/12 Guidance states: “Over the past two years, the COSLA policy has been that the removal of the passport protection should only apply to **new** recipients of a service. It is now suggested that it should open to councils to choose whether or not to remove the protection for **all** clients”.

A Copy of the Guidance is available online at <http://www.ccpScotland.org/assets/files/hseu/information/consultations/COSLA%20Charging%20Guidance%202011.doc> .

8.10 This has led to a number of local authorities taking the decision to remove the protection for all tenants.

- 8.11 It is worth noting at this stage that the greatest area of contention with our tenants is the apparent inconsistency of charging for housing support services where neighbours in similar financial circumstances are charged, or not, different sums of money depending on when their tenancy began.
- 8.12 In response to the Customer Satisfaction Survey carried out in May 2010, 67.2% of tenant's who responded indicated they disagreed or strongly disagreed with the statement "The current system of only some tenants paying for the support service is fair".
- 8.13 In June 2011, a two day workshop was held to reach agreement on the principles and framework that will inform the policy for charging for services in Aberdeen City Council's sheltered housing.
- 8.14 The workshop involved staff, tenants and representatives from RSLs who discussed a variety of topics. Appendix 11 shows the "Quad of Aims" and the attendees.
- 8.15 The feedback from this workshop has informed the content of the Review to date and the outcomes will be incorporated into the implementation/action plan to be developed further in stage two of the Review.

9 Guest Room Facilities at Sheltered and Very Sheltered Housing Developments

- 9.1 Guest facilities for overnight stays are provided at forty of Aberdeen City Council's forty nine sheltered/very sheltered housing developments.
- 9.2 The facilities in our guest rooms range from "hostel" style to "hotel" standard. Whilst some accommodation has been purpose built and offer guests exclusive use; other guests access a room within a flat and share bathroom and/or kitchen facilities potentially with other guests who are not known to them.
- 9.3 At twenty two multi storey blocks, the properties were formerly let as flats and have been adapted to provide guest accommodation. Purpose built guest rooms are provided at seventeen developments which are mainly located in low rise, newer developments. Linens and towels are provided at all locations and the provision of tea/coffee making facilities is selective and has usually been supplied by the tenants group.
- 9.4 The charge for a pre booked stay is £15.30 per person per night, across all forty nine developments. Where a visit is made for a medical emergency or bereavement, on site staff may use their discretion in applying the charge.

- 9.5 A “snap shot” of annual payments indicates that occupancy rates have ranged from no occupancy at one development to 115 nights at another. From June 2010 to July 2011, total guest room payments provided an income of £27,690 which is equivalent to 2116 nights or 8% of capacity.
- 9.6 A recent benchmarking exercise showed that the majority of other Local Authorities and Registered Social Landlord’s who were consulted, charge a similar amount to Aberdeen City Council on a per room per night basis. Where a, per person per night charge is made, the cost is approximately 50% of Aberdeen City Councils current charge.
- 9.7 Feedback from tenants and on-site staff, although anecdotal, strongly indicates that current charges are excessive in some instances, particularly where facilities are shared.
- 9.8 A formal consultation exercise with stakeholders is required so that options can be considered in relation to the future use of and charging policy for guest accommodation at sheltered housing development. This will be taken forward as part of the implementation/action plan for stage two of the Review.

10 Review of Allocations Policy

- 10.1 The Council has introduced a new allocations policy that was approved by H&E committee in May 2011.
- 10.2 Officers are working to implement the outcomes and the project’s estimated “go-live” date is July 2012.
- 10.3 The new allocation policy has been designed to comply with current legislation and Scottish Government guidelines in order to meet the following aims.
- To be open, fair, transparent and consistent in allocating our council houses
 - To house those in greatest need
 - To make sure that we offer accommodation that meets the needs of applicants
 - To make best use of our council houses
 - To provide clear and regular information on the allocations made
 - To provide applicants with an easily understood policy
 - To meet standards of good practice
 - To be more customer focused
 - To meet the conditions of all relevant legislation
- 10.4 A key element of this policy is to provide a more holistic approach to assessing medical and care and support needs. To support this aim we will introduce new Housing Need Assessment Team.

- 10.5 This new team's remit will be to assess applicants for medical priority, care and/or support needs, engaging with other professionals such as occupational therapists, GPs and care managers who can provide relevant information as required.
- 10.6 This approach will provide a clear picture of an applicants needs that will enable us to allocate the right type of accommodation to suit their needs.
- 10.7 A team of Housing Needs Assessors will be established to assess application where the applicant has indicated they have a housing and support need. The development of an in-house assessment team using a Single Shared Assessment model will:
- Provide a “Holistic” approach to medical assessment and will provide a consistent approach in prioritising housing need.
 - Make best use of diminishing housing resource.
 - Ensure the right person gets the right house.
 - Assist the Shifting the Balance of Care agenda.
 - May produce revenue savings in terms of Social Work care packages.
 - Provide a more accurate picture of assessed demand for Housing with Care which will assist in planning future provision.
 - Improve customer service.
 - May assist people to remain in their own homes for longer.
 - Improved advice and options to service users.
 - Provide an opportunity for early identification of cases who may benefit from the use of adaptations or Telecare.

11 Telecare

- 11.1 Telecare is the remote monitoring of a persons health and wellbeing with the use of information and communication technology, within their own home, using a variety of unobtrusive sensors and detectors.
- 11.2 Telecare is a service that enables people, especially older and vulnerable people, to continue to live independently in their own homes.
- 11.3 It can be used by all age groups, however, is predominately used to assist older people and vulnerable groups to remain within their own homes for as long as possible.
- 11.4 It has been found to be particularly useful for:
- people who are becoming increasingly frail and are at risk of falling.
 - people who have little support and may need the reassurances the service provides; are struggling to cope at home, and may be regularly admitted to hospital.

- people who need support when dealing with environmental risks in the home such as fire or flood.
 - people with special needs such as learning difficulties.
 - people with cognitive difficulties such as failing memory.
 - those who need links to other agencies.
- 11.5 Telecare can support people at home, providing an enhanced feeling of safety and security for both the user and their carer as well as providing a response in an emergency 24 hours a day.
- 11.6 Many telecare packages are linked to the community alarm system or warden call systems.
- 11.7 Telecare equipment can vary from a simple stand alone alert to a complex combination of sensors connected through a community alarm lifeline unit.
- 11.8 There is a vast range of telecare equipment and sensors available. The following are just some examples:
- Bed Sensor
 - Epilepsy Sensor
 - Enuresis Sensor
 - Fall Detector
 - Flood detector
 - Magiplug (releases water from sinks/baths to avoid flooding)
 - Property Exit Sensor and/or “Wandering” alert
 - Smoke Detector
 - Extreme Heat detector
 - Carbon Monoxide detector
 - Gas shut-off valves
 - Pillow Alert
 - Pressure Mat
 - Passive Infrared monitor (PIR) (activity and non-activity monitors)
 - Medication management
 - Bogus caller alerts
 - GPS system
- 11.9 Developing the infrastructure and services required to maximise the potential use of telecare to support tenants to remain independent for as long possible will be considered in stage two of the Review.

12 Conclusions and Recommendations

- 12.1 In drawing up this Review consideration has been given to the work carried out recently in connection with the Housing Revenue Account Business Plan, the potential development of an LATC within Social Care and Wellbeing, and also additional work being carried out currently on

the asset management requirements of the multi storey properties throughout Aberdeen city.

- 12.2 Opportunities clearly exist for the development of more flexible support packages for tenants, which reflect their individual needs. Support packages targeted at individuals rather than the designation of the building within which they live will be recommended as an approach to be adopted in the future, which is consistent with good practice guidance on the personalisation agenda.
- 12.3 This will provide an opportunity for the LATC to develop its market, particularly beyond the social sector as well as within it. This will not however be applicable to those developments that continue to be designed as sheltered and very sheltered developments.
- 12.4 To that end therefore stage one of the Review in providing the strategic information in which decisions can be taken will recommend that Social Care and Wellbeing working together with Housing and Environment will look to develop and recommend more flexible housing support packages, together with a different charging regime which should more accurately reflect the needs of individuals.

SHELTERED HOUSING REVIEW (example)



ABERDEEN COURT, MURPHY STREET, ABERDEEN

OVERVIEW/BACKGROUND

Aberdeen Court is a modern low rise sheltered housing development completed in 1985 providing thirty four one bedroom flats and four two bedroom flats. The development has a residents lounge, hobby room, guest accommodation and off street parking. Accommodation is spread between three floors and is “barrier free” as all flats can be accessed by lift. Four of the flats have been adapted to suit the needs of tenants who require wheelchair access.

A Senior Personal Carer provides a housing support service to tenants and a pull cord system linked to a regional call centre provides emergency assistance at all times. A personal care plan has been developed for each tenant and seven of the tenants are in receipt of personal care. A team of carers is based in the complex during the day to provide personal care.

Social events at Aberdeen Court are arranged by a tenants group and include an art group, games afternoon, bingo evening, themed evening meals, lunch club and a monthly church service.

Summary of Weekly Charges:

Size	Rent	Heat with Rent	Housing Support
1 bedroom	£63.00	£8.35	£19.70
2 bedroom	£72.00	£8.95	£19.70

Aberdeen Court is located in the popular Meadow area where residents enjoy access to shops, public park, medical services and public transport into the city centre.

Guest Accommodation:



Guest accommodation at Aberdeen Court is located on the third floor level providing a twin room with en suite shower room. Tea/coffee making facilities are provided along with towels and linens. The charge per person per night for the use of this facility is £15.30.

Alternative Provision:

There is no alternative provision of sheltered housing in the Meadow letting area.

SUSTAINABILITY

There is high demand for this development there are currently thirty applications registered on the waiting list. Recent letting have been made to applicants with the highest priority of medical and social need.

Summary of Recent Lettings:

There have been four vacant flats at this complex in the past year.

Void	Termination Reason	No of Offers	of Medical Priority	Social Need	Void Days
1	Deceased	1	15	15	14
2	Deceased	2	14	15	35
3	Home/Hospital	1	15	14	21
4	Home/Hospital	2	15	15	14

Refusal reasons for the multiple offers above have included; “not able to move at present” and “not interested in area”.

FINANCIAL POSITION

The various aspects contributing to the financial health at this complex are as follows:

Rental Income:

Maximum potential rental income for 2011/12 is as follows:

34 X one bedroom flats @ £63.00 X 48 weeks	=	£102,816
4 X two bedroom flats @ £72.00 X 48 weeks	=	<u>£ 13,824</u>
	=	£116,640

Void Rent Loss:

Annual void rent loss at this complex is £1,400 (1.3%).

Housing Support:

Four tenants do not pay this charge due to the start date of their tenancy, five tenants are protected from the charge due to their housing benefit status and twenty three tenants have been financially assessed for the charge.

Information received from Social Care and Wellbeing indicates that the housing support costs at Aberdeen Court for 2011/12 are £23,000.

Cleaning:

A domestic assistant is employed at any complex for two hours each day at an annual cost of £5,000.

Heat with Rent Income:

34 X £8.35 X 48 weeks	=	£13,627
4 X £8.95 X 48 weeks	=	<u>£ 1,718</u>
		£15,345

Information provided by the senior accountant indicates the cost of electricity at the Aberdeen Court for 2011/12 is estimated at £16,699.

PLANNED MAINTENANCE AND IMPROVEMENTS

The block has benefitted from £250,000 investment in kitchen and bathroom upgrades and further investment is planned next year on roof replacement.

Void relet costs have totalled £6,600 for 2011 and response repairs were £1,400.

HOUSING AND ENVIRONMENT/SOCIAL CARE AND WELL BEING OVERVIEW

Comments from the Area Housing Assistant:

Aberdeen Court is a well designed development providing excellent accommodation to tenants. The social scene is active and tenants are encouraged to attend activities.

Comments from Housing Occupational Therapist:

Many of the flats have walk in showers. The adapted properties provide a good standard of space for turning.

Comments from On Site Team:

Aberdeen Court is a happy building and the team all enjoy working here. The care needs of tenants vary from very little to double up care for three clients.

TENANTS VIEW FROM 2010 SURVEY

A Tenant Survey was issued in 2010, a summary of responses follows:

Twenty tenant surveys were returned from Aberdeen Court. Thirteen tenants said that they had benefited from the integrated home care and sheltered housing warden service; nineteen said that they had not. The majority of tenants who responded are satisfied or very satisfied with the facilities and services at Aberdeen Court.

Positive comments were made regarding social activities at the complex and the majority of respondents said that they lived independently in warm, well designed accommodation and that rent costs were reasonable.

Eight respondents indicated that the current system where only some tenants paid for housing support services was fair and twelve disagreed. Ten respondents indicated that the housing support charge should be applied to all those who could pay and eight disagreed.

Doubts were expressed regarding the use of sheltered housing for people with dementia or confusion but tenants said they would not mind if their complex was used to provide day care services.

In conclusion, the majority of respondents stated that sheltered housing and the support provided is a good service which works best for older people who are in relatively good health and who are able to live quite active lives. Since moving to sheltered housing, they have found it easier to get other social care and health services if needed and twenty tenants said that they wished they had moved sooner.

CONCLUSION

Development assessed at a meeting in Meeting Room MC-2-W-02, Marischal College on 7 November 2011.

Present:

Housing Manager, Housing and Environment
 Service Manager (Resources), Social Care and Wellbeing
 Community Care Strategy Officer, Housing and Environment
 Selections Coordinator, Housing and Environment
 New Projects Officer, Housing and Environment
 Senior Housing Assistant, Housing and Environment

Physical Condition	Financial Viability	Fit & Appropriate for Service	Location & Amenity	Future Potential	Weighted Total	Lead Score
20%	10%	25%	20%	25%	Out of 10	A,B,C
9	7	7	7	6	8.8	A

ACTION

- The development has good sustainability factors and is fit for purpose. It may be suitable for upgrading to provide a very sheltered housing service. This should be considered as stage two of the Review.

Sheltered Housing Review Group: terms of reference

1. Background and Context

The current projections relating to the ageing populations and the forecast reduction in working age population present us with multiple challenges. In response to these issues, three main themes are emerging from the national and local policy context:

- Shifting the balance of care agenda, moving further towards independent living for older people, focusing on low-level preventative services, such as the introduction of telecare and occupational therapy services;
- Creating more flexible housing and support options that give older people a greater choice;
- Developing integrated care at home service, which are responsive to meet the needs of older people.

Good quality housing, in particular sheltered and very sheltered housing plays an important role in supporting people to live independently. It is vital that we ensure that our housing is fit for purpose.

2. Purpose

The purpose of this review is to undertake a series of work-streams related to the Council's existing portfolio of sheltered and very sheltered housing to ascertain its fit for purpose and provides suitable housing, which meets the needs and aspirations for both existing and new tenants.

The final report shall consider the role of other landlords and private ownership models play in meeting the overall needs.

3. Objectives

The review will also be taken forward in the context of the following objectives:

- To review the adequacy and standards of existing accommodation for older people.
- To evaluate and consider future demands for sheltered and very sheltered housing.
- To review the support services provided by the council in sheltered and very sheltered housing services.
- To review the future use of hard to let sheltered housing.
- To review the allocations and charging policy for sheltered and very housing.
- To analyse the impact of changes to the scheme of allocations.
- To take account of the views of tenants.

4. Scope

The review will:

- Assess the current needs and demand and availability of sheltered and very sheltered housing.
- Analyse the outcome of consultation with tenants and incorporate the findings within the main work of the review.
- Establish a sub-group to lead on issues relating to charging policy and allocations policy. (remit to follow)
- Establish a sub-group to lead on issues relating to the asset review. (remit to follow)
- Prepare a report on the outcome of the review.
- Develop an implementation plan for its recommendations.

The review will **not** consider in full:

- Private sheltered housing stock
- RSL sheltered housing stock

However, the review will take cognisance of the important role that this tenure plays in meeting the overall needs and demand.

5. Governance and Management

The Head of Service for Housing and Community Safety will lead the Review Group.

Sub groups will be established to take forward specific pieces of work. A lead officer will be appointed who will be responsible for providing regular updates to the Review Group.

Reports will be submitted to the Housing and Environment Committee for approval at appropriate intervals.

6. Constraints

- Difficulty in existing methods for assessment of needs at local level, in particular weaknesses in relation to prevalence rate information.
- Potential to raise concerns of tenants should the outcome result in a change to current provision, eligibility or charging policy.
- Lead in times and resource issues in relation both capital and revenue implications, which are unknown at the outset of the project.
- The review must be complete by summer 2011

Sheltered Housing Review

Asset Management & Voids Sub Group: terms of reference

1. Background and Context

As Asset Management Review of housing for varying needs stock was carried out in 2008. The study provided baseline information on stock condition and sustainability. The Housing for Varying Needs Review has identified a requirement to build upon the work previously done to establish the long term suitability and viability of our stock.

2. Purpose

The Review Group agreed to establish an Asset Management and Voids Sub-Group with a remit to build on the previous work and to undertake a review of the Council's existing portfolio of sheltered and very sheltered housing to establish its long term sustainability and future use.

3. Objectives

The objective of the sub-group is to carry out an appraisal of the current condition of the Council's sheltered and very sheltered housing and produce a report provide a scheme by scheme assessment of condition and future sustainability.

4. Scope

The scope of the appraisal should give consideration to the potential options for each site. The assessment should consider the following factors:

- layout of the site/scheme
- general site constraints and opportunities
- capacity, including long term voids
- adaptability and flexibility
- appropriateness of design for existing and potential user requirements
- user "friendliness"
- future maintenance
- access for people with disabilities
- parking and vehicle circulation
- energy efficiency
- progress towards meeting the SHQS Targets

The sub-group will provide a report for the Review Group and develop an implementation plan for its recommendations.

5. Governance and Management

The sub-group will be led by Area Housing Manager and have representation from Asset Management staff, area housing teams and Social Care and Wellbeing.

The lead officer is responsible for providing regular updates to the Review Group.

Lead officers: Graeme Souter (Housing & Environment)
 Nicola Dinnie (Social Care & Wellbeing)

Draft

Sheltered Housing Review

Charging and Allocations Policy Sub Group: terms of reference

1. Background and Context

The move from a “traditional” warden service to an integrated care at home service has seen no change to the charges applied. A summary of the current position is that:

- Charging is currently capped at 75%, maximum charge for sheltered £19.70, which is subject to a financial assessment.
- Supporting People was introduced in 2003, no charges were applied.
- In 2005, charges were applied. Those in receipt of housing benefit were “pass-ported” through with no charge.
- From 1 April 2006 it was agreed that COSLAs guidance on charging policy would be implemented and we adopted a policy of financially assessing new tenants. This guidance was review in 2009.

The Council made a commitment to tenants via the Sheltered Housing Forum (also known as Extra Care Housing Forum) to undertake a review of its charging policy for sheltered and very sheltered housing.

2. Purpose

The sub group will review charging and allocation policy for care at home/housing support services in sheltered and very sheltered housing, in response to the issues raised following the move from a warden service to an integrated care at home service

3. Objectives

The objective of the sub-group is to carry out a review of the current policy for charging and allocations and report back to the Review group giving costed options and provide recommendations on future policy.

4. Scope

The scope of the subgroup’s work should include:

- review of current charging policy
- review of allocation policy
- review the meals provision charge in very sheltered housing
- establish a framework for future service provision giving consideration for move towards alternative service delivery models, for example amenity plus telecare with mobile response service.
- provide a clear, costed programme giving consideration to capital and revenue costs and showing a breakdown of current and proposed costs to both services (Social Care and Wellbeing and Housing and Environment.
- the review should incorporate the views of tenants

The sub-group will provide a report for the Review Group and develop an implementation plan for its recommendations.

5. Governance and Management

The sub-group will be led by Graeme Stuart, Strategist, Planning & Policy Housing supported by Garry Brown, Supporting People Coordinator and Heather Stadames, Service Manager (Operations) and include representation from finance (Paul Dixon and Helen Sherritt), area housing teams, TPOs and Social Care and Wellbeing.

The lead officer will be responsible for providing regular updates to the Review Group.

Draft

APPENDIX 3

THE DEFINITION OF SHELTERED, AND VERY SHELTERED, HOUSING

The Scottish Government collect information annually on the amount of housing that is provided for 'special needs'. This annual S1B return includes information on amenity, sheltered, and very sheltered housing. The definitions used by the Scottish Government are as follows:

Amenity housing - the design is based on the standards of general needs housing, with the addition of those features listed in 1 to 9 of the sheltered housing definition below. There is no warden, and a community alarm may or may not be fitted.

Sheltered housing - the design is based on the standards for general needs housing with the addition of the following features:

1. Housing should be provided at ground or first floor level, or in blocks over two storeys high served by at least one lift.
2. Space standards should be the same as for one or two person general needs houses.
3. Handrails should be provided on both sides of all common access stairs, and on at least one side of all common access areas and passages.
4. Bathroom doors should be either sliding or capable of opening outwards, and fitted with locks operable from the outside.
5. Bathroom floors should have a non-slip finish.
6. Handrails should be fitted beside the WC and bath/shower.
7. A space heating system must be provided which is capable of maintaining a temperature of 21C when the outside temperature is - 1C in the following parts of the house: living area, sleeping area, kitchen, bathroom, hallway.
8. Light switches arranged to line horizontally with door handles.
9. Socket outlets fixed at a height of at least 500mm above the floor.
10. A warden service should be provided.
11. An emergency call service should be provided connecting each house to a warden system.

Very sheltered housing - this form of housing (sometimes known as 'care' and 'extra care' housing) generally has all the features listed for sheltered housing, but will usually have special bathroom facilities. In addition, a greater level of care and support is offered through the service of extra wardens, full-time carers or domiciliary assistance, and the provision of meals.

Summary of Key Legislative Framework:

- **National Health Service and Community Care Act 1990** – this Act aimed to oversee the policy aim of shifting the balance of care from hospitals and institutions to community based settings. It was also an attempt to bridge the gaps in community care law and to reduce DHSS expenditure on residential care. It placed a duty on local authorities to assess the need for ‘community care services’ and enhanced their duty to secure the provision of welfare services within a ‘mixed economy of care’.
- **Modernising Community Care: An Action Plan** (Scottish Office, 1998) – published in response to concerns about the way services were being managed, delivered, and whether, in fact, they were the services people really required. It moved the focus of community care towards a partnership approach, and recognised that the successful delivery of community care depended on the ability of key agencies to work together, and with others. The main aims were: Better and faster results for people by focusing on them and their needs. More effective and efficient joint working, based on partnerships.
- **Modernising Community Care: The Housing Contribution** (Scottish Executive, 1999) – recognised Housing’s essential role in achieving community care objectives, and was published to be read alongside Modernising Community Care : An Action Plan. Set out guidance for housing providers on general principles of good practice. The guidance covered: Strategic planning Local planning and joint working
Translating strategic objectives into actual outcomes in local areas
The development of joint and shared assessments
Hospital discharge procedures
Options for a home based care and support solution for individuals
Housing management, including housing support functions
Monitoring and evaluation
- **Community Care : A Joint Future** (Scottish Executive, 2000) – The Joint Future Group was established by the Scottish Executive in response to a view that the vision of joint working laid out in Modernising Community Care : An Action Plan had not been realised. The group was tasked with identifying ways of improving joint working among statutory agencies involved in delivering community care. The report that was published focused on achieving better outcomes for people, through: Better use of resources, with shared priorities
Better management, with single management arrangements
Less bureaucracy and duplication
Quicker and easier access to services
The report contained 19 detailed recommendations, including recommendations intended to assist with the shift of the balance of care (from institutional care to care at home). The Scottish Executive

established the Joint Future Unit, to oversee the implementation of the recommendations contained in the report.

- **Supporting People** (Scottish Executive, 2000) – policy and funding framework implemented across the UK for people in supported accommodation, or in receipt of floating housing support formed part of the Housing (Scotland) Act 2001. The programme went live in April 2003 in order to support vulnerable people in different types of accommodation and tenure in ways responsive to their needs. The aim is to provide good range of quality services, focusing provision on local need more geared to the need of those receiving support and a greater degree of flexibility in service delivery. The budget was ring-fenced until April 2010 with all authorities received funding to establish administration of Supporting People with a view to the integration of support within wider local strategies, particularly Social Work and Housing departments, and Health Services.
- **Community Care and Health (Scotland) Act 2002** – this Act introduced free personal care for the elderly, and the regulation of charging for home care services. It enabled a number of schemes to promote choice in care provision, and included measures to enable greater joint working between the NHS and local authorities. It also gave local authorities a duty to identify, as well as inform, carers of their right to a needs assessment, independent of the person being cared for.
- **The Regulation of Care (Scotland) Act 2001 and National care standards: Housing support services' [eg sheltered housing]**
The regulations set out requirements which must be complied with by providers of care services under the Regulation of Care Act. The national care standards describe what each individual person can expect from the service provider. They focus on the quality of life that the person using the service actually experiences. The services are regulated and inspected by the Care Inspectorate (SCSWIS), formerly the Care Commission.

APPENDIX 5

Name of Development	Letting Area	Property type	Year of Construction	No. of Low-rise Units
Ashgrove Court	Ashgrove	Multi	1961	48
Balmoral Court	Holburn Street	Multi	1969	53
Balnagask Place	Torry	Linked cottages	1961	5
Bede house Court	Old Aberdeen	Low rise	1963	24
Berrymoss Court	Dyce	Low rise	1976 refurbished 2009	21
Brimmond Court	East Balnagask	Multi	1970	48
Castleton Court	Stockethill	Multi	1969	70
Charlie Devine Court	Middleton	Low-rise	1988	48
Clifton Court	Woodside	Multi	1973	56
Constitution Court/Lane/Street	King Street	Low-rise	1982	34+8+8
Coronation Court (Extra Care)	Peterculter	Low-rise	2008	33
Craigton Park	Mannofield	Low-rise	1990	36
Denmore Court	Denmore	Linked cottages	1997	12
Denmore Court-VSH	Denmore	Low-rise	1997	37
Denseat Court	Hazlehead	Low-rise	1984	46
Dominies Court	Rosehill	Low-rise	1984	32
Donview House	Seaton	Multi	1974	57
Fairley Den	Bucksburn	Low-rise	1977 phase 2 - 1993	37
Fullerton Court	Woodside	Low-rise	1977	55
Gairn Court	Holburn Street	Low-rise	1979	55
Granitehill House	Northfield	Low-rise	1977	54
Gray Court	Summerhill	Low-rise	1983	41
Hamewith	Balgownie	Low-rise	1975 phase 2 - 1995	50
Hilton Court	Hilton	Multi	1979	53
Janesfield Manor	Garthdee	Low-rise	1992	56
Kingswood Court-VSH	Mastrick	Low-rise	2002	40
Lewis Court	South Sheddocksley	Low-rise	1984	49

Loch Court	Gallowgate	Low-rise	1993	48
Lord Hays Court	Seaton	Multi	1971	92
Margaret Clyne Court	Kincorth	Low-rise	1996	55
Mark Bush Court	Kincorth	Low-rise	1989	51
Meadow Court	Tillydrone	Multi	1971	53
Murray Court	Woodside	Multi	1977	56
North Balnagask Road	Torry	Linked cottages		9
Parkhill Court	Dyce	Low-rise	1975 refurbished - 2010	20
Provost Hogg Court	Torry	Low-rise	1978	53
Quarryhill Court	Mastrick	Low-rise	1989	32
Regensburg Court	Sheddocksley	Multi	1968	52
Seaton House	Seaton	Multi	1974	56
Seaview House	Seaton	Multi	1974	54
Short Loanings	Rosemount	Low-rise	1987	38
Smithfield Court	Middlefield	Multi	1973	54
St Clements Court	King Street	Multi	1985	56
Stewart Park Court	Hilton	Multi	1980	56
Stocket Grange	Stockethill	Low-rise	1990	59
Taransay Court	South Sheddocksley	Low-rise	1982	42
Thorngrove Court	Mannofield	Linked cottages	1963	12
Woodhill Court	Stockethill	Multi	1970	71

**ABERDEEN CITY COUNCIL'S
HOUSING FOR VARYING NEEDS**

Tenants in sheltered housing developments receive a housing support service which is co-ordinated by the on site Senior Personal Carer from 08:00–18:00 each day. A pull cord and pendant emergency service is linked to the Regional Control Centre at Woodhill House at all other times, with a mobile responder service available from 18:00 to 08:00 each evening. A personal care plan is developed for each tenant that identifies their housing support and personal care needs. Personal care is provided by carers in the tenants home.

Very sheltered/extra care housing is provided at three sites, Coronation Court, Denmore Court and Kingswood Court. The Integrated housing support and care service is provided on site 24 hours, 7 days per week. A meals service is also provided.

**ASHGROVE COURT, CASTLETON DRIVE,
63-77 GILLESPIE CRESCENT**



Ashgrove Court is a multi storey block built in 1961 and originally let as mainstream accommodation. The main block was upgraded to sheltered housing in 1998 and some neighbouring cottages were linked at the same time. The main block is arranged over 9 floors and has 38 two bedroom flats, two bedsits and eight one bedroom linked cottages at 63 - 77 Gillespie Crescent. The block has a common room with kitchen, laundry and off street parking.

BALMORAL COURT, HOLBURN STREET



Balmoral Court is a multi storey block built in 1969; the accommodation is arranged over nine floors and comprises 53 one bedroom flats and one two bedroom flat which was formerly warden accommodation. The complex benefits from a common room with kitchen, laundry, hobby room, library, guest rooms and off street parking.

BALMORAL COURT, HOLBURN STREET



Balnagask Place is a row of five cottages built in 1963; the cottages are close to the sheltered housing development at Provost Hogg Court. There are 4 bedsit cottages and 1 one bedroom cottage. Balnagask Place is located close to public transport and shops. Pets are permitted at this type of sheltered property.

**BEDE HOUSE COURT, ST MACHAR DRIVE,
11, 12, 13, 14 DUNBAR STREET**



Bede House Court/Dunbar Street is a low rise complex built in 1963. The total number of units at this complex is 24; 22 one bedroom cottages, one bedsit cottage and one two bedroom cottage. The complex is beautifully kept and there are grassed areas around the accommodation. The property is close to public transport links to the city centre and within easy access to shops and medical facilities.

BERRYMOSS COURT, NETHERVIEW AVENUE, DYCE



Berrymoss Court is a small low rise sheltered housing complex built in 1976. The complex was refurbished in 2007/08 and all former bedsit property was converted to small one bedroom units. The accommodation is spread between three floors. There are 21 units including 11 one bedroom/two person flats, nine one bedroom/one person flats and one three bedroom flat. The facilities at Berrymoss Court include social lounge with kitchen, laundry facilities, garden and there is a small designated car park at the front of the building. There are no guest facilities at Berrymoss Court but guests are welcome to use the facilities at Parkhill Court. Social activities are organised by a tenants committee and include coffee mornings, a fortnightly lunch club, dominoes, cards and entertainment evenings, e.g., Burns Supper. Berrymoss Court is located close to public transport and with easy access to local shops including the Asda shopping centre in Dyce. A GP and dental surgery are located close to the complex.

BRIMMOND COURT BALNAGASK AVENUE



Brimmond Court is a large multi storey block built in 1970 and originally let as mainstream family housing. The block was converted to sheltered housing in December 1994. The block benefits from a common room, laundry, guest accommodation and limited off street parking. The block is located close to public transport and shops and other amenities. The accommodation in this block is arranged over 13 floors with 48 two bedroom sheltered flats in floors 1 - 12. Accommodation on the 13th floor includes the guest room, 2 two bedroom flats and a one bedroom flat which is let as mainstream accommodation. The lift does not connect to this floor. The residents lounge has recently been refurbished and social events include regular bingo sessions. There is currently no tenants association at this complex.

CASTLETON COURT, CASTLETON WAY



Castleton Court is a large multi storey block which was originally built in 1968 and converted to sheltered housing in 1992. The 71 two bedroom flats are arranged from floor one to floor eighteen. The complex benefits from a common room with kitchen, laundry, drying room, guest accommodation and off street parking. The block is located close to public transport into the city centre and there are local shops in the area. There are many social activities organised at the complex including pool, darts, dominoes, bingo, coffee mornings, quizzes, a discussion group, table top bowls and occasional bus outings.

CHARLIE DEVINE COURT, WHITESTripES WAY, MIDDLETON



Charlie Devine Court is a low rise modern complex of 50 units built in 1988. It is set out over two floors and comprises 35 one bedroom flats, 2 two bedroom flats, 1 three bedroom flat and 12 one bedroom cottages. The cottages are located at 1-10, 12 and 49; the remainder of the accommodation is within the main complex. The complex benefits from a common room, laundry, hobby room, quiet room, guest room and off street parking. Each flat has gas fired central heating. The interior decoration of the complex is bright and well maintained. Internal corridors and stair ways are wide and there is a feeling of space and light around the building. The complex is located close to good road and public transport links to the city centre, shops and a major supermarket is also close by. There is also a medical practice and dentist within easy reach. Social events are organised at the complex including a fish supper night, church services, afternoon tea and residents from outside the complex are invited to the weekly bingo afternoon.

CLASHIEKNOWE, SCOTSTOWN ROAD, BALGOWNIE



Clashieknowe is a low rise sheltered housing complex constructed in 1971. It occupies an elevated site in the Balgownie letting area in the Bridge of Don. The complex comprises twelve bedsit flats, six one bedroom flats and two unoccupied 3 bedroom former warden flats. Seventeen flats are currently occupied. The facilities at Clashieknowe include guest accommodation, social lounge and laundry facilities. Daily social events are well attended. Local amenities in the area include a doctor's surgery; dentist, chemist, local shops and public transport links to the city centre are only a short distance away. The complex has lift access to the first floor. There is a small car parking area for resident's use but this is also being used by other local householders. There is a small outside courtyard area in the centre of the building with benches and a table.

CLIFTON COURT, GREAT NORTHERN ROAD



Clifton Court is a multi storey block constructed in 1975, the 55 one bedroom flats and one two bedroom flat are arranged over nine floors. The complex benefits from a common room with kitchen, laundry, guest accommodation and a small off street parking area. Social activities are arranged by the tenants committee. The block is located close to public transport and shops and although the area has a poor reputation for crime and anti social behaviour, the majority of tenants who responded to the survey issued to tenants in 2010, indicated that they felt safe in their complex and the area around it.

CONSTITUTION COURT, CONSTITUTION STREET



Constitution Court is a low rise complex which was constructed in 1982. The accommodation is spread over two floors and includes 31 one bed flats, 2 two bed flats and 1 three bed flat. Facilities include a resident's lounge with kitchen area, guest room, hobby room and off street parking. Social events are organised by two separate tenants groups at Constitution Court and the nearby complex at South Constitution Street. Events include morning coffee/afternoon tea, lunches and bingo. The development is located within easy reach of the city centre.

CORONATION COURT, SCHOOL ROAD, PETERCULTER



Coronation Court is an extra care housing development. It was completed in 2009 and provides modern supported accommodation and is a new design concept, 'housing for varying needs' where, both tenants and local residents can interact with each other. There are 33 units in the main complex and a further 11 cottages at Hillside Place and Hillside Crescent have been adapted to sheltered housing cottages and included in the development. A further 10 cottages at this location will be adapted as they are vacated over time. Tenants benefit from the presence of an onsite multi disciplinary care team who are present at the complex at all times.

CRAIGTON PARK, CRAIGTON ROAD, MANNOFIELD



Craigton Park is a modern low rise complex built in 1990; the accommodation is a cluster of blocks with all accommodation either at ground floor or first floor level. There are 24 one bedroom flats, one two bedroom flat and there are two one bedroom flats in a cottage building on Craigton Road. Twelve of the flats are on the first floor level and fourteen are on the ground floor level. The complex benefits from a common room with kitchen, guest accommodation and off street parking. The block is located in a desirable west end location close to public transport and shops. There has been a recent kitchen and bathroom upgrade at the complex and bathrooms are now "wet rooms". Social events are organised by a small tenants group and these include a regular coffee morning and entertainment evenings and the senior personal carer provides an entertainment evening at Christmas.

DENMORE COURT, PROVOST MITCHELL CIRCLE, DENMORE



The 12 sheltered housing cottages at 39-50 Denmore Court are located within the grounds of the very sheltered complex. They were built in 1997. Tenants at the cottages are free to use most of the facilities at the main complex and are included in social events. Each cottage has independent gas central heating. Tenants benefit from the presence of an onsite senior carer and can use their button alarm to summon the multi disciplinary care team who are present at the main complex at all times, including overnight. A bus stop is close by the complex but the town service runs only every half hour.

DENMORE COURT, PROVOST MITCHELL CIRCLE, DENMORE



Denmore Court is a low rise modern complex built in 1997. The main complex is set out over two floors and comprises 35 one bedroom flats and 3 two bedroom flats (nos 1-38) which are classed as very sheltered housing and there are 12 one bedroom cottages (nos 39-50) within the grounds of the development which are let as sheltered housing. The complex benefits from a well equipped common room, hobby room laundry, guest rooms and off street parking. The interior decoration of the complex is bright and well maintained. Internal corridors and stair ways are wide and there is a feeling of space and light around the building. The building is in a good state of repair inside and out.

DENSEAT COURT, SKENE ROAD, ABERDEEN



Denset Court is a modern complex built in 1984; the 48 accommodation units are arranged over three floors. The complex has 43 one bedroom flats and five two bedroom flats. Denset Court benefits from a social lounge with kitchen, laundry, guest accommodation, large hobby room and off street parking. The block is located in a quiet, desirable location close to public transport and a public park. An active social calendar is organised by a committee and include, concerts, beetle drive, quiz night, Burns Supper and bus tours.

DOMINIES COURT, DOMINIES ROAD, ROSEHILL



Dominies Court is a low rise complex built in 1984 and is arranged over three floors. There are 31 one bedroom flats and one three bedroom former warden flat which is currently off charge pending options into its future use as sheltered housing. There is a common room, laundry, large garden, hobby room, guest accommodation and off street parking area. The block is located close to shops. Social activities at this complex include coffee/tea in the common room each day, bingo twice a week, a monthly concert, fish and chip night and outings.

DONVIEW HOUSE, SEATON CRESCENT, SEATON, ABERDEEN



Donview House is a multi storey block constructed in 1974, the 57 flats are arranged over 9 floors and consists of 55 one bedroom flats, one two bedroom flat and a bedsit flat. The complex benefits from a common room, laundry, off street parking and guest accommodation. The block is close to public transport and services and the upper floors have incredible sea or city views. At present there is no tenants association but plans are in place for one to be created with a plan to boost social activities at this complex. Bingo is a well attended social activity at Donview House and the residents lounge is used by a local church for their meetings

FAIRLEY DEN, BUCKSBURN



Fairley Den is a low rise complex completed in 1977 as a twenty unit complex. A further wing was added in 1993 providing a further seventeen flats. It is arranged over three floors. There are three bedsit flats, 29 one bedroom flats, four two bedroom flats and one three bedroom flat. Facilities include a central glass covered courtyard (which is used as the residents lounge), a hobby room, outside garden area, a laundry, ample parking and 3 guest rooms. It is located close to public transport, local shops and a community centre. Activities and entertainment are arranged by a tenants association at this complex. All tenants are members of the association and the residents lounge is well used for both formal and informal tea/coffee get togethers, games and puzzles. Bingo evenings are a regular entry on entertainment calendar and tenants are free to invite guests (non tenants) for "special" bingo evenings. The local church provides a monthly church service and organise occasional bus runs for residents.

FULLERTON COURT, GREAT NORTHERN ROAD



[Fullerton Court](#) is a multi storey block constructed in 1977. The accommodation is arranged over nine floors; 54 one bedroom flats and 1 two bedroom flat. It has a resident's lounge with kitchen, laundry, guest accommodation and a small off street parking area. The block is located close to public transport and shops. Social activities are organised by a tenants committee and include bingo, bowling, singing class, parties and bus outings.

GAIRN COURT, HARDGATE



Gairn Court was built as a sheltered housing multi storey block in 1979. The 56 units of accommodation are arranged over nine floors and there are 54 one bedroom flats and 2 two bedroom flats. The flats are spacious and modern with ample cupboard space. The complex benefits from a common room with kitchen, laundry, library and off street parking. There is a mini recycling scheme in operation at the complex with waste bins for plastics and paper in the bin room. A bin for the recycling of glass is located in the car park. The block is located in a quiet street in a popular area close to public transport and shops. The building is in excellent condition and is well maintained. A tenants association arranges social activities at Gairn Court including bingo, informal coffee afternoons, raffles and occasional evening entertainment. A new chairman has recently taken over the running of the association and there are plans to extend the social activities at the complex. Some social activities, e.g. bingo and bus runs, are shared with tenants at Balmoral Court.

GRANITEHILL HOUSE, MARCHBURN DRIVE ABERDEEN



[Granitehill House](#) is a multi storey block completed in 1978; the accommodation is arranged over nine floors and comprises 53 one bedroom flats and two, two bedroom flats. The complex has a residents lounge with kitchen, laundry, guest accommodation, a further general purpose room and off street parking. Social events are organised by a tenants group and these include bingo and computer classes. The block is located close to public transport and shops. A new tenant's group has recent been formed and more social events at this development will now be arranged.

GRAY COURT, EDAY ROAD, ABERDEEN



[Gray Court](#) is a low rise modern complex block completed in 1984, the accommodation is arranged over 2 floors and comprises 38 one bedroom flats, and seven one bedroom cottages. The complex benefits from a common room with kitchen, laundry, guest accommodation and off street parking. The block is located in a quite location close to public transport and shops. Social events are arranged by a tenants group include bingo, bonus ball draw and summer day trips.

HAMEWITH, HAREHILL ROAD, BALGOWNIE



Hamewith is a low rise complex originally built in 1975 as a 20 flat development. A second wing added in 1996 provided a further 32 flats and a hobby room. Hamewith is situated within the popular residential area, Balgownie, Bridge of Don. The accommodation is spread between the ground and first floors and comprises 52 flats - five bedsit flats, forty four 1 bedroom flats and three 2 bedroom flats. The interior decoration of the complex is bright and well maintained. Internal corridors and stair ways are wide and there is a feeling of space and light around the building. The building is in a good state of repair inside and out. The facilities at Hamewith include guest accommodation, social. Modern wet rooms located off the common areas facilitate assisted bathing. Tenants, organise a busy social calendar and events are well attended. Such events include carpet bowls, bingo, a regular monthly fish and chip evening and entertainment evenings are provided by members of the local church. A mobile hairdresser visits the complex on a regular basis.

HILTON COURT, STEWART PARK PLACE, ABERDEEN



Hilton Court is a multi storey block constructed in 1979. It is arranged over nine floors and comprises 52 one bedroom flats, 2 two bedroom flats. It has a common room with kitchen, laundry, guest accommodation and off street parking area. The block is located close to public transport and shops. Social events at the complex are arranged by the Tenant's Association and include bus outings, beetle drive, cards, bingo and a party at Christmas. A hairdresser visits the complex on a fortnightly basis and the on site carers like to arrange tea and a chat in the residents lounge when possible. A rota system is in operation at the laundry.

JANESFIELD MANOR, AUCHINYELL ROAD, ABERDEEN



[Janesfield Manor](#) is a modern low rise complex built in 1992. The main development is arranged over two floors and cottage type accommodation is built around the main building. The 57 accommodation units include 37 one bedroom flats, 3 two bedroom flats, 1 three bedroom flat, 15 one bedroom cottages and 1 two bedroom cottage. The complex benefits from a common room with kitchen, laundry, guest accommodation, hobby room, off street parking and garden area. The block is located in a quiet, sought after location close to public transport and shops. The tenant group organise the social calendar. Events include games in the residents lounge several times a week, bingo and summer outings. A mobile hairdresser regularly visits the complex and the senior personal carers cook lunch for residents every other Thursday. There are grassed areas in front of the cottages and some of these tenants have planted bedding plants in borders or tubs.

COTTAGES AT KINGSWOOD COURT, INVERCAULD ROAD, MASTRICK



The 15 sheltered housing cottages at 41-55 Kingswood Court are located within the grounds of the very sheltered complex. They were built in 2002. Tenants at the cottages are free to use most of the facilities at the main complex and are included in social events.

KINGSWOOD COURT, INVERCAULD ROAD, MASTRICK



Kingswood Court is an extra care/very sheltered housing development located in Mastrick. The development was completed in 2002 and provides forty flats. There are also fifteen linked cottages which are let as sheltered housing. Bingo is a regular feature on the social calendar and there is also a regular sing-along event in the residents lounge. There is no official tenants association at this complex but the care staff have organised “free” entertainment and encourage afternoon tea in the residents lounge.

LEWIS COURT, ARRAN AVENUE



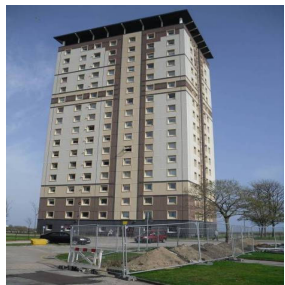
[Lewis Court](#) is a low rise modern sheltered housing complex built in 1983. The 34 flats in the main complex are arranged over two floors and there are 15 linked cottages. The complex has a common room with kitchen, laundry, guest flat and off street parking. Social events at the complex include bingo and tenants regularly meet in the common room for tea and a chat. There is a large snooker table in the hobby room where tenants have a few drinks and nibbles whilst enjoying a game of snooker.

LOCH COURT, LOCH STREET, ABERDEEN



Loch Court is a low rise modern complex of 48 flats which was constructed in 1993. The main building is arranged over three floors and consists of 34 one bedroom flats and 2 two bedroom flats. There is also a small annexe building with 12 flats. There is a common room, hobby room, laundry and two guest flats together with off street parking. The complex is centrally located and close to all amenities. The majority of tenants are members of the tenants association and social events are partly funded by a weekly bonus ball draw. These include social evenings, entertainment, bingo and a drive in the summer. The hobby room on the first floor has a pool table, darts, small library and a kitchen area.

LORD HAY'S COURT, SEATON, ABERDEEN



Lord Hay's Court is a multi storey block constructed in 1971; it is arranged over 16 floors and has 95 one bedroom flats. The block benefits from a common room, laundry, off street parking and lift. The property has had a recent "makeover" and is a splendid looking tower block. It is close to transport links to the city and many of the flats have a sea view. Social events include coffee mornings, evening bingo and the local church visits once a month.

MARGARET CLYNE COURT, KINCORTH CIRCLE, ABERDEEN



Margaret Clyne Court is a large, modern, low rise complex, built in 1996; the 55 homes are arranged over 2 floors. There are 41 flats and 14 cottages. The cottages are located at 42–55 Margaret Clyne Court. One of the cottages has two bedrooms, the remainder have one bedroom. Three of the flats have two bedrooms and the rest have one bedroom. The complex benefits from a common room, laundry, guest accommodation, off street parking and a fabulous terrace with views over the City. The block is located in a popular area and is close to public transport, shops and other amenities. Social activities are organised by a tenants association and include bingo, quiz night, crafts, entertainment and themed evening meals.

MARK BUSH COURT, ABBOTSWELL DRIVE, ABERDEEN



Mark Bush Court is a modern low rise complex, built in 1989, the accommodation is arranged over three floors and comprises 45 one bedroom flats, 3 two bedroom flats and 3 one bedroom flats with doors opening onto the garden are which are described as “cottages”. The complex benefits from a common room, laundry, guest accommodation and off street parking. The block is located in a popular area and is close to public transport and shops and other amenities. Social activities are organised by a tenants association and the schedule of events is widely advertised within the complex. This includes chocolate bingo, games afternoon, quiz afternoon, stovies for lunch, line dancing, crafts, musical entertainment and themed evening meals.

MEADOW COURT, AUCHINLECK ROAD, TILLYDRONE



[Meadow Court](#) is a multi storey block constructed in 1971; it is arranged over nine floors and has 54 flats (53 one bedroom, one two bedroom). The block benefits from a common room, laundry, guest accommodation and off street parking. The block is located in a pleasant area close to the River Don. There are flower pots and seating areas outside the building. Social activities at Meadow Court are currently under review. A hairdresser visits the block each Thursday.

MURRAY COURT, GREAT NORTHERN ROAD, ABERDEEN



[Murray Court](#) is a multi storey block constructed in 1977. The 56 flats are arranged over nine floors. There are 55 one bedroom flats and a two bedroom flat. The complex has a common room, laundry and a small off street parking area. The block is located close to public transport and shops. Social events at this complex include bingo, bowling, informal coffee get togethers, board games, Saturday evening social and bus outings.

NORTH BALNAGASK ROAD, ABERDEEN



[North Balnagask Road](#) is a row of 9 cottages; (183, 185, 187, 201, 203, 205, 207, 209, 211) North Balnagask Road. The cottages were built in 1963. Five are bedsit/one person accommodation and four are one bedroom/2person accommodation. Balnagask Place is located close to public transport and shops.

PARKHILL COURT, BALLOCH WAY, DYCE



Parkhill Court is a low rise sheltered housing complex built in 1976. The complex was refurbished in 2009/10 and all former bedsit property was converted to small one bedroom units. During the refurbishment, many tenants decanted to Berrymoss Court and then returned to Parkhill Court on the completion of the refurbishment. A similar situation occurred when Berrymoss Court was being refurbished. The accommodation is spread between three floors. There are 20 units including 9 one bedroom/two person flats, 9 one bedroom/one person flats and 2 two bedroom flats.

PROVOST HOGG COURT, VICTORIA ROAD



[Provost Hogg Court](#) is a low rise complex built in 1978. The accommodation is arranged over 3 floors and comprises 35 one bedroom flats, 4 bedsit flats and 16 one bedroom cottages. The complex benefits from a friendship room, hobbies room, laundry, guest accommodation and off street parking. The block is located close to public transport and shops and other amenities. Social activities are organised by a tenants association which has more than 30 members. Activities include cards, scrabble, bingo, social evenings and there is a pool table and darts board in the hobbies room.

QUARRYHILL COURT, STOCKET PARADE, ABERDEEN



[Quarryhill Court](#) is a low rise modern complex block built in 1989. The accommodation is arranged over two floors and comprises 30 flats and four cottages. Two of the flats have three bedrooms; one of these is occupied by a senior personal carer and the other is off charge pending investigation into future use. The remainder of the flatted accommodation at this complex is one bedroom. One of the cottages has two bedrooms and three of the cottages have one bedroom. The complex benefits from a common room, laundry, guest accommodation and off street parking. The block is located in a quite location close to public transport.

REGENSBURG COURT, SPRINGHILL ROAD, ABERDEEN



Regensburg Court is a multi storey block built in 1968, it is arranged over nine floors and has 53 one bedroom flats and one two bedroom flat. The block has a common room, laundry, guest accommodation and off street parking. The block is conveniently located close to public transport, shops and medical facilities. Social events at the complex are organised by a tenants group and include bingo, entertainment evenings, party at Christmas and bus runs in the summer.

SEATON HOUSE, SCHOOL ROAD, ABERDEEN



[Seaton House](#) is a multi storey block constructed in 1973; the 56 flats are arranged over nine floors. There are 55 one bedroom flats and one two bedroom flat. The block benefits from a common room with kitchen area, hobby room, laundry, guest room and off street parking. Social events at this complex include a regular coffee morning, weekly lunch club and bingo. Facilities at the residents lounge are regularly used on an informal basis for a cup of tea and a chat. The mobile library van visits this complex.

SEAVIEW HOUSE, SEATON CRESCENT, SEATON, ABERDEEN



[Seaview House](#) is a multi storey block constructed in 1973; the 54 flats are arranged over nine floors. There are 53 one bedroom flats and one two bedroom flat. The block benefits from a common room with kitchen, laundry and off street parking. Some flats in the block have added desirability based on their view of the sea, the city or Pittodrie Stadium. Social Events at Seaview House include bingo and morning tea. Guests from other complexes are welcomed to the bingo. There is currently no tenants association at Seaview House.

SHORT LOANINGS/ RICHMOND WALK/EDEN PLACE, ROSEMOUNT



Short Loanings is a modern low rise complex offering 23 one bedroom flats and 4 two bedroom flats. Linked to this complex are 8 one bedroom flats at Eden Place and 4 two bedroom flats at Richmond Walk making the total number of flats at this development, 39. The accommodation is spread over 9 separate blocks with flats at ground, first and second floor level. Facilities include a common room with patio entrance, guest flat, laundry and off street parking. It is close to public transport and city centre shops and facilities. Social events are organised by a small tenant committee and include bowling, arts and crafts, basic computing, bingo and organised bus travel to a supermarket. There are also weekly visits from the fruit and vegetable van and the fish van.

SMITHFIELD COURT, FOWLER AVENUE, ABERDEEN



[Smithfield Court](#) is a multi storey block built in 1973; the accommodation is arranged over 9 floors and comprises 54 one bedroom flats and 1 two bedroom flats. The block benefits from a common room with kitchen area, laundry, guest accommodation and off street parking. The block is located close to public transport. Social events at Smithfield Court include Bingo and informal gatherings in the common room for coffee/tea and a chat.

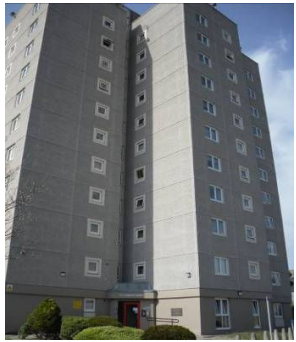
In September 2002 the Community Services Committee approved the development of a pilot intermediate care facility at Smithfield Court. The initiative opened in January 2003 providing 18 fully equipped modern apartments for older people who required a temporary period of rehabilitation. The aim of the Smithfield Court project is to speed up hospital discharge and provide short-term intensive rehabilitation followed by co-ordinated service upon returning home. The pilot is funded jointly by Aberdeen City Council and NHS Grampian. The Smithfield Project now rent 26 flats at Smithfield Court on a non secure agency lease arrangement at the normal rent level.

**SOUTH CONSTITUTION STREET,
CONSTITUTION LANE & CONSTITUTION STREET**



South Constitution Street is a modern low rise complex built in 1985; the accommodation is a cluster of blocks with 20 one bedroom flats and 4 two bedroom flats. Two further blocks at Constitution Lane and Constitution Street provide a further 16 flats. The accommodation is either at ground floor or first floor level. Tenants at these locations can take part in social events at the residents lounge at Constitution Court. The block is located in a desirable central location close to the city centre.

ST CLEMENTS COURT, JASMINE PLACE



St Clements Court is a multi storey complex which was purpose built in 1985. There are 56 one bedroom flats and 2 two bedroom flats arranged over eleven floors in the block. The complex benefits from a common room with kitchen and two further hobby/activities rooms. There is also a laundry, off street parking and a guest flats. The complex is conveniently situated close to public transport and shops including a large supermarket, Morrison's, which is only a short distance away on King Street. A tenants association organise social events including social evenings, keep fit, lunch club, video night, bowling, bingo, and a church service. Regular visitors to the complex include a hairdresser, fish man and fruit and vegetable van.

STEWART PARK COURT, STEWART PARK PLACE, ABERDEEN



[Stewart Park Court](#) is a multi storey block constructed in 1980 and is arranged over nine floors and comprises 55 one bedroom flats and 2 two bedroom flats. It has a large residents lounge with kitchen area, laundry and off street parking. Social events are organised by a tenants association and include bus outings in the summer, entertainment, bingo, whist and a weekly get together on Friday afternoon.

STOCKET GRANGE, STOCKETHILL CRESCENT, ABERDEEN



[Stocket Grange](#) is a modern low rise complex of 61 units built in 1990. It is arranged over two floors and the accommodation includes 41 one bedroom flats, 1 two bedroom flat, 17 one bedroom cottages and 2 two bedroom cottages. There is a common room with kitchen, laundry, guest accommodation, an area of garden and off street parking. The block is located close to public transport and local shops. Social events at the complex include bingo, community group meetings, fish supper night, weekly bus trip to a supermarket and Tai-chi. There is also a church service conducted at the complex on the third Sunday of each month.

TARANSAY COURT, LEWIS ROAD, ABERDEEN



[Taransay Court](#) is a low rise modern complex built in 1982; it is arranged over two floors and comprises 40 one bedroom flats and two, two bedroom flats. The complex has a common room with kitchen, laundry, guest flat, garden, off street parking and four garages. The complex is close to public transport and shops.

Social events at this complex are arranged by a tenants committee, assisted by the Senior Personal Carers. Events include bingo, quiz night, whist, keep fit, tenant's meetings and concerts. Tenants employ the services of outside caterers when organising evening events such as Burns Supper

THORNGROVE COURT, GREAT WESTERN ROAD



Thorngrove Court is a cluster of 12 one bedroom cottages built in 1964. Tenants have access to a central garden where benches are located.

The cottages were linked to Thorngrove Home but this building was sold by the Council in 2002/2003 and has been developed as a private facility for elderly residents providing 55 flats. The new development is called Thorngrove House and is managed by Trinity Factoring Services, a company which is based in Edinburgh. The company has erected a small boundary fence formally separating their land and Thorngrove Court. Both complexes share the main access road from Great Western Road.

There is a row of shops opposite the complex with a supermarket, bank, pharmacy/chemist, hairdresser, off licence, pizza take away and gift shop. A variety of bus services stop outside the complex at Great Western Road and a church is close by. There is restricted car access to cottages 2 – 5 with no parking available. There is a small car park at the back of the complex but this is for the areas general use including the residents of the surrounding tenement flats.

WOODHILL COURT, CASTLETON DRIVE



Woodhill Court is a large multi storey block built in 1970. It is arranged over 18 floors and comprises 71 two bedroom flats. The block has a common room with kitchen, laundry, guest flat and off street parking. It is close to public transport and shops.

A tenants group organise social events at the block including tea/coffee get togethers.

Sheltered Housing
Service

Customer Survey 2010

Acknowledgements –

We would like to thank all respondents who took part in this survey. The time you have taken to complete this questionnaire is much appreciated and any improvements you experience in the service you receive in the future will be a direct result of your valuable contribution.

Many thanks also to everyone who assisted in devising the questionnaire, particularly the tenants of the Sheltered Housing Tenants Sub Committee.

If you have questions or queries in regards to any aspect of this research report, please do not hesitate to contact Heather Stadames, Service Manager (Resources), Social Care and Wellbeing, Aberdeen City Council

(hstadames@aberdeencity.gov.uk), or Philippa Mason, Research Officer, Corporate Governance, Aberdeen City Council
(pcorley@aberdeencity.gov.uk)

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Introduction

Aberdeen City Council currently provides sheltered housing to approximately 2300 residents in Aberdeen City. The sheltered housing service aims to provide older people with a high quality of accommodation and support services, to meet a wide range of needs, thus enabling residents to live independently, safely and in comfort.

In May 2010, Aberdeen City Council carried out a customer survey with sheltered housing residents. The survey was designed primarily to gauge current levels of satisfaction with sheltered housing facilities and the services they receive but also asked residents their views about the charging system, complaints handling and their reasons for living in sheltered housing. Surveys were completed anonymously as the service was keen for residents to respond honestly and openly. To ensure service improvements could be directed quickly to those complexes where they were most needed and to identify areas of good practice from which we could learn for the whole population of sheltered housing residents, we asked respondents to tell us which sheltered housing facility they lived in.

The information provided will be used as part of the Housing for Varying Needs Review and to inform future policy on the development of high quality accommodation, care and housing support services that meet the needs and expectations of residents as efficiently and effectively as possible. We wanted to understand what we are doing right, and what we need to improve.

Methodology and data limitations

The survey questionnaire was designed to provide Aberdeen City Council with some general information about the experience of residents receiving these services. It was not designed as an in-depth or 'group specific' exercise, but instead to provide some baseline satisfaction data that can be used to monitor and track satisfaction levels as services develop.

At the end of April and the beginning of May 2010, questionnaires were distributed to 2147 sheltered housing residents through the managers and team leaders of their support service. Residents were invited to a pre-survey meeting, held in their sheltered housing complexes, where the aims of the survey were explained and sources of support for completion of the questionnaire were provided. It is important to note that Senior Personal Carers were not involved in the meetings, completion of the questionnaires or analysis of the results. We received a total return of 1492 surveys. This equates to 69.5% of the questionnaires distributed.

The questionnaire was intended to be 'live' for 3 weeks but this was extended by a further 2 weeks to ensure residents who were absent had the chance to respond. As well as the questionnaire, a cover letter and pre-paid envelope were also included.

Responses were inputted into a data base by external staff and analysis was undertaken by a Research Analyst from Corporate Governance to ensure transparency and objectivity.

Summary of Survey Results

The survey had 23 questions with tick boxes for most responses. Questions 13, 15 and 23 gave residents an opportunity to provide further information or comments. These are currently being analysed but due to Data Protection issues they are not included at this point in the report.

Some of the results have to be read with caution as a number of respondents to some questions ticked more than the one box requested. In general terms the levels of satisfaction were high with more positive responses than negative.

Facilities

In terms of which facilities were provided within the complexes the top three answers were:

1. A lounge/common room (98%)
2. Laundry facilities (95%)
3. A nearby car park (90%)

The lowest three answers were:

1. Storage for mobility scooters and recharging of batteries (15%)
2. Access to a garden (43%)
3. Communal kitchen facilities (72%)

Satisfaction levels with the facilities provided are high, whilst the two facilities with greatest dissatisfaction are access to a garden and storage for a mobility scooter.

Guest Rooms:

When asked if they wanted charges for the guest rooms to be reviewed 61% of respondents said no.

Extra Care

When asked if they had benefitted from the integrated care at home and sheltered housing warden service, 42% of respondents to this question or 588 residents said they had.

Services provided on site had high satisfaction ratings from those residents who answered that they had used them. 550 or 94% of respondents stated they were very satisfied or satisfied with the service they had received. Disappointingly 38 or 6% of residents stated they were dissatisfied or very dissatisfied with the service they had received.

When comparing respondents replies regarding the importance of activities undertaken by Senior Personal Carers the top “very important” activities indicated are “assistance from staff in emergencies” (63% or 843), “knowing a senior personal carer is available if needed” (60% or 828), “knowing personal care is on hand” (59% or 798) and “ensuring communal areas are kept clean and tidy” (59% or 790).

Significantly the 3 tasks deemed least important were all housing support type tasks, “Support with letters and filling out forms” 31% or 372, “help or support to organise social activities” 29% or 336 and “help with relationships and neighbours” 28% or 333.

When asked about how satisfied or very satisfied they were with any of the 12 listed services provided by Senior Personal Carers in the last 6 months, respondents to these options scored between 91% and 96% for 11 of the tasks. The lowest scoring task being “help or support to organise social activities”, which scored only 85% in the combined satisfied/very satisfied categories. This said, 75% of all respondents to the questionnaire said that there are activities and entertainment in their complexes with 68% stating there were social events e.g. coffee mornings. 29% stated they have exercise sessions and receive information about keeping well.

Out of Hours Service

In terms of out of hours support (between 6pm and 8am) one third of the 1384 respondents indicated they had needed to use this service in the past 6 months or to put it the other way round, two thirds of respondents have not needed to access this service. 83% of those respondents using the out of hours service were either very satisfied or satisfied with the response they had received when they last used the service, and the remaining 17% were either dissatisfied (12%) or very dissatisfied (5%).

The survey also asked residents to strongly agree, agree, disagree or strongly disagree with statements relating to **independence, safety, privacy, design of property, heating, rent costs and isolation.**

Respondents' combined agreed or strongly agreed answers were;

1. My privacy is respected (98.4%) - 1392
2. I can be independent (98%) - 1373
3. My home is warm enough (95.7%) - 1392
4. Help is close by should I need it (93.8%) – 1355
5. My home is well designed (90.2%) - 1335
6. There is always someone to talk to if I feel lonely (85.4%) - 1266
7. My rent costs are reasonable (78%) - 1313

Those who strongly disagreed with the statements were then asked to tell us why. Although the questionnaire was anonymous, respondents were asked to state which sheltered housing complex they were resident in so it is possible to extract complex specific issues and where appropriate remedial action will be taken. The comments around isolation also need further examination and action.

The decision and reasons for moving to sheltered housing

When asked why they had decided to move to sheltered housing, respondents were asked to choose from a list of seven options. 497 (23%) of residents stated it was solely their decision to move into sheltered housing and 99 residents (5%) stated it was more the decision of their families.

The top three reasons for moving to sheltered housing were staying independent for as long as possible with some help (771), wanting to feel safe (658) and needing to live somewhere that was designed to meet their needs (544).

Feeling safe

In terms of feeling safe 99% of respondents felt safe within their accommodation (their own flat), 96% felt safe within the complex and 94% felt safe at night. However, only 82% of tenants stated they felt safe in the area around their complex.

Housing Support Charges

In 2005, Aberdeen City Council introduced charging for any future resident moving into sheltered accommodation. This was due to legislation contained within the Housing (Scotland) Act 2001 and changes in Housing Benefit legislation. Anyone moving in is offered a financial assessment to clarify what, if any contribution they are required to make towards the cost of service. The current system of charging for housing support service applies only to residents taking up occupancy after March 2005.

The question relating to charging asked whether respondents agreed or disagreed that the current system of only some tenants paying for the housing support service was fair. 67.2% of respondents to this question either disagreed or strongly disagreed.

The second part of this question asked respondents to agree, disagree or strongly disagree that the Council should consider widening the current system to financially assess all tenants in sheltered housing, on their ability to pay for support services, regardless of when they moved in. Just over 57% agreed with this statement and 43% strongly disagreed or disagreed. This group of 43% were then invited to say why. 523 separate comments were received. Further analysis of the comments to extract the common themes will be undertaken, and also to group the comments in terms of the complexes as a number of the comments relate to whether or not the service is value for money, and this may be complex specific. The issue of charging clearly needs to be addressed as this has created anger and anxiety for residents during the past 12 months.

Complaints

When asked if they knew how to make a complaint 966 (70%) respondents said they did. 1208 respondents said they had not complained about the services they had received whilst 208 said they had. The results of the next question are skewed because 185 (59%) of respondents commented they were either satisfied or very satisfied and 119 (39%) were either dissatisfied or very dissatisfied with the way their complaints were handled. (304 responses). This is a very disappointing result but one where action has already been taken to improve the responses to complaints.

Positively, 98% of respondents agreed that Sheltered Housing and the support provided is a good service for older people, but only 47% thought sheltered housing could be used for residents other than older people. 48% of respondents would not mind if non residents visited their complexes for day care or other services.

The last question asked for further general comments and all of the individual responses are collated. Some positive and some negative. Again further analysis to extract common themes and identify whether or not they are complex specific will be undertaken.

Conclusion

From the responses it is fair to suggest that the majority of tenants are satisfied with the facilities provided and the services they receive in Aberdeen City Councils sheltered and very sheltered housing.

In terms of development and service improvement, there are a number of areas that need to be analysed and considered. Where residents have identified issues which are specific to their accommodation, these will be investigated and appropriate action will be taken. There is a rolling programme aimed at improving Council property but it may be that some properties need to be improved sooner rather than later.

With only a third of respondents having used the out of hours service in the past 6 months, it is imperative that we go back and ask what kind of assistance was required during this time i.e. was this about care needs or was this about security or property type issues.

The results have raised more questions, and the answers received so far have provided us with the information required to devise an action plan for improvements and development. This will be devised and implemented with residents support and guidance.

If 87% of respondents believe that sheltered housing works best for older people who are in relatively good health and who are able to live quite active lives, do we have the criteria for applications right?

In terms of designing the care at home services within sheltered housing complexes and to provide a supported housing model, do we need to have a one size fits all model?

Do we need to focus more on the care and support needs of individuals who apply rather than on housing needs?

Should we develop a "housing for varying needs" definition which would reflect the variety of needs that residents have and then resource the complexes accordingly? In some instances this may mean using telecare and other technology solutions to ensure that residents feel safe and can access support remotely rather than having staff on site?

Are we heading in the right direction when considering the development of very local, community hubs in some complexes?

The findings of this review will inform the overarching Housing for Varying needs review. It has been a helpful start from which to benchmark the future development, improvements, efficiency and effectiveness of our supported accommodation.

Question 1 – What is the name of your sheltered housing complex?

The table below tells us where respondents live and the number of respondents as a percentage of total respondents.

Figure 1: Sheltered Housing respondents (by complex)

Sheltered Housing	Number of respondents	% of total respondents
ASHGROVE COURT	32	2.1
BALMORAL COURT	37	2.5
BEDE HOUSE COURT	16	1.1
BERRYMOSS COURT	17	1.1
BRIMMOND COURT	45	3.0
CASTLETON COURT	62	4.2
CHARLIE DEVINE COURT	30	2.0
CLASHIEKNOWE	15	1.0
CLIFTON COURT	20	1.3
CLIFTON ROAD	2	0.1
CONSTITUTION COURT	23	1.5
CORONATION COURT	14	0.9
CRAIGTON PARK	10	0.7
DENMORE COURT	35	2.3
DENSEAT COURT	26	1.7
DOMINIES COURT	26	1.7
DONVIEW HOUSE	35	2.3
FAIRLEY DEN	24	1.6
FULLERTON COURT	35	2.3
GAIRN COURT	44	3.0
GRANITEHILL HOUSE	30	2.0
GRAY COURT	30	2.0
HAMEWITH	38	2.5
HILTON COURT	41	2.7
JANESFIELD MANOR	43	2.9
KINGSWOOD COURT	29	1.9
LEWIS COURT	35	2.3
LOCH COURT	31	2.1
LORD HAYS COURT	53	3.6
MARGARET CLYNE COURT	48	3.2
MARK BUSH COURT	41	2.7
MEADOW COURT	28	1.9
MURRAY COURT	41	2.7
PARKHILL COURT	17	1.1
PROVOST HOGG COURT	35	2.3
QUARRYHILL COURT	23	1.5
REGENSBURG COURT	36	2.4
SEATON HOUSE	32	2.1

SEAVIEW HOUSE	30	2.0
SHORT LOANINGS	25	1.7
SMITHFIELD COURT	17	1.1
SOUTH CONSTITUTION STREET	19	1.3
ST CLEMENTS COURT	38	2.5
STEWART PARK COURT	52	3.5
STOCKET GRANGE	43	2.9
TARANSAY COURT	34	2.3
WOODHILL COURT	54	3.6
TOTAL	1491	100%

Figure 1 tells us that respondents from a total of 43 sheltered and 4 very sheltered housing complexes responded to the survey. The highest percentage of respondents (4.2%) came from Castleton Court. 100% of complexes had some respondents.

Question 2 – What facilities does your sheltered housing complex provide?

Figure 2

Facility	Yes	% of total
a) A lounge/ common room	1454	98%
b) Guest room(s)	1256	84%
c) Laundry facilities	1411	95%
d) Communal kitchen facilities for tenants use.	1077	72%
e) Access to a garden	648	43%
f) Storage for Mobility Scooters and re-charging of batteries	220	15%
g) A nearby car park	1349	90%
h) Other (Please specify)	39	3%

Figure 2 tells us that the vast majority of residents have access to a lounge/ common room, laundry facilities, a nearby car park and a guest room(s). Three quarters have access to kitchen facilities and just under half have access to a garden. Currently, only 15% have access to storage of mobility scooters and recharging of batteries.

Other facilities respondents mentioned include a balcony, a drying room, lifts, games room and hobbies/ recreation room. The facility mentioned most often without a lounge/ common room was South Constitution Street. The facilities mentioned most often without laundry facilities are Bede House Court and Short Loaning.

Question 3- Thinking about the options you ticked in Question 2, how satisfied are you with these facilities?Figure 3

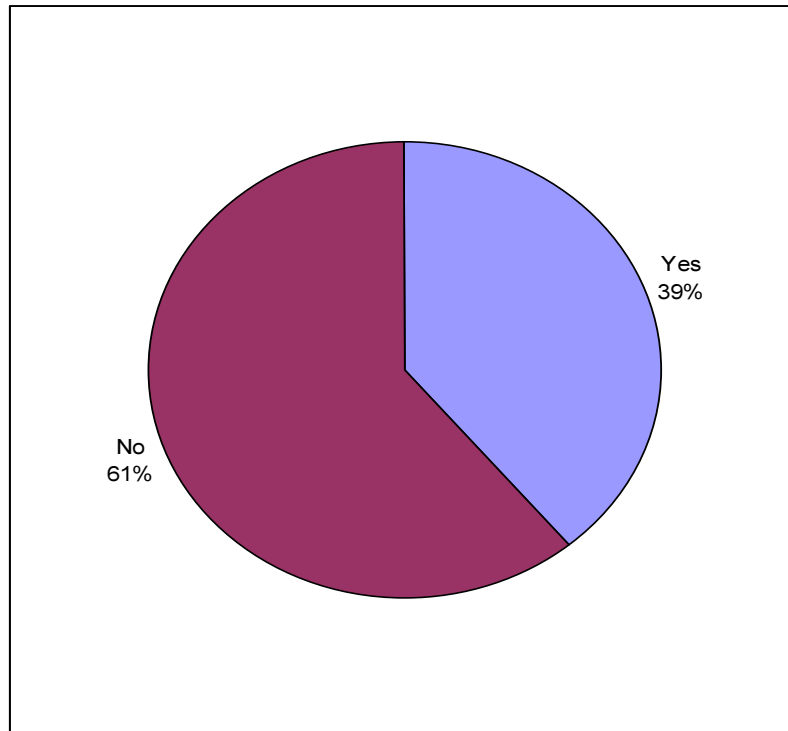
Facility	Very Satisfied	Satisfied	Dissatisfied	Very Dissatisfied	Total
a) A lounge/ common room	515 (36%)	834 (58%)	50 (4%)	25 (2%)	1424 (100%)
b) Guest room(s)	302 (29%)	621 (60%)	76 (7%)	40 (4%)	1039 (100%)
c) Laundry facilities	529 (39%)	763 (57%)	37 (3%)	20 (1%)	1349 (100%)
d) Communal kitchen facilities for tenants use.	318 (31%)	643 (63%)	42 (4%)	24 (2%)	1027 (100%)
e) Access to a garden	222 (33%)	349 (51%)	54 (8%)	51 (8%)	676 (100%)
f) Storage for Mobility Scooters and re-charging...	60 (20%)	120 (41%)	43 (14%)	75 (25%)	298 (100%)
g) A nearby car park	442 (35%)	755 (58%)	54 (4%)	40 (3%)	1291 (100%)
h) Other	21 (37%)	28 (48%)	3 (5%)	6 (10%)	58 (100%)

Figure 3 tells us that generally, satisfaction with facilities is high with over 85% of respondents satisfied or very satisfied with the lounge/common room, guest room, laundry facilities, kitchen and car park facilities. The highest satisfaction is with laundry facilities (96% were either satisfied or very satisfied).

The two facilities with the greatest dissatisfaction levels were access to a garden (with 16% dissatisfied or very dissatisfied) and storage for mobility scooters (with 14% dissatisfied and 25% very dissatisfied). In both instances, more people responded than indicated they had access to this facility in Question 2. This may tell us that respondents who did not have access to these facilities were dissatisfied with the fact that they didn't have access.

Question 4 - If your complex has a guest room, do you want the current charge to be reviewed? Please tick below.

Figure 4



(n=1047 respondents)

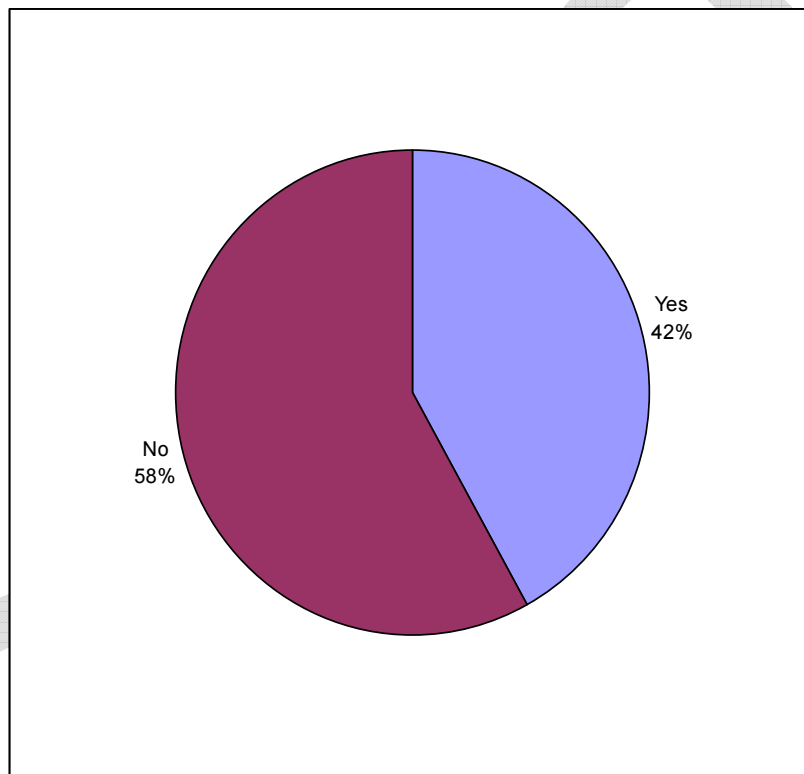
Figure 4 tells us that 61% of respondents do not think the charge for guest rooms should be reviewed whilst 31% think it should.

(Note: Unfortunately, the phrasing of this question does not allow analysis on whether respondents feel the charges should be less or more.)

In 2008/2009 Aberdeen City Council integrated the Home Care and Sheltered Housing Warden Services so that we could provide a quicker and more flexible response to tenants whose care and support needs change. This is known as extra care and describes the function of the integrated service. Importantly this does not change the category of housing residents live in; it remains sheltered or very sheltered housing.

Question 5 - Have you or your spouse/partner benefitted from this enhanced onsite service?

Figure 5



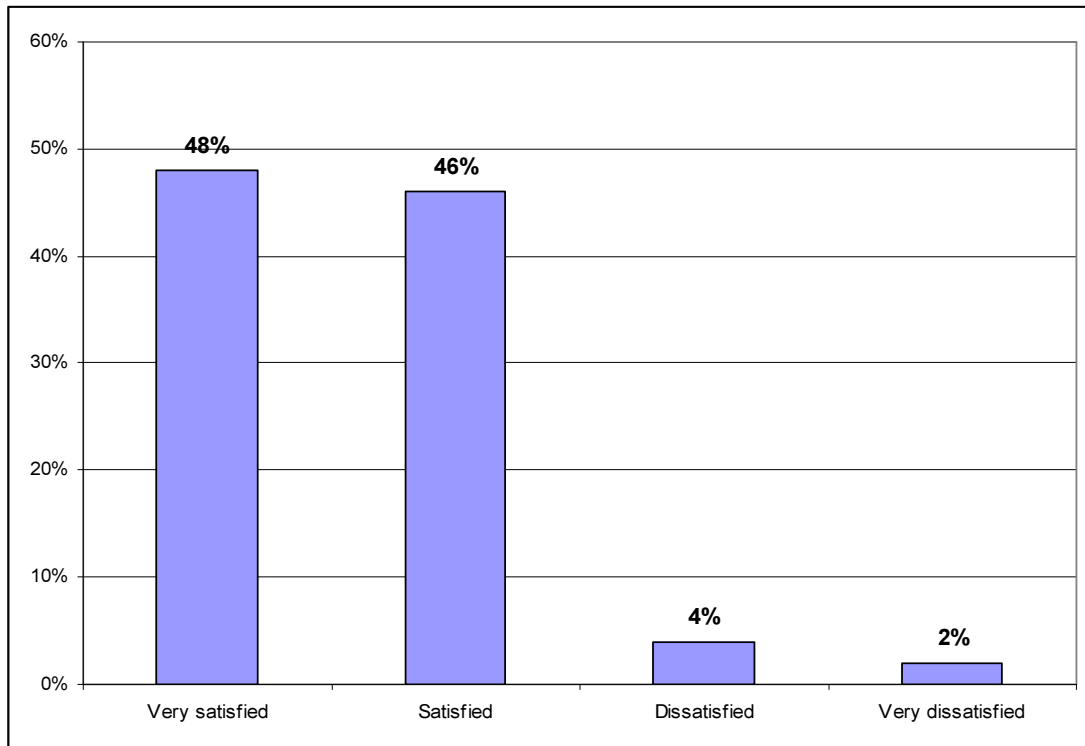
(n=1252 respondents)

Figure 5 tells us that almost 60% of respondents do not think that they or their partners have benefitted from the new service. 42% think they have.

Note; There are problems with this question as firstly, it asks about two separate individuals (you and your spouse) and this may confuses the response i.e.what happens if you feel you have benefitted but your partner hasn't? and secondly, it has been identified as a leading question...using the words 'benefitted' and 'enhanced' means the question is bias, although this was not the intention.

Question 6 - If you answered yes to question 5, how satisfied were you with the service you received?

Figure 6



(n=588 respondents)

Figure 6 tells us that of the 588 respondents who answered this question, 280 were very satisfied with the service they received, 270 were satisfied, 24 were dissatisfied and 14 were very dissatisfied.

Question 7 - Sheltered Housing provides a variety of services to tenants. How important are the following support services provided by your senior personal carers in making it a good place for you to live in. (Please tick below)

Figure 7

Service	Very Important	Important	Not Important	Total
a) A daily call from staff	808 (58%)	428 (30%)	175 (12%)	1411 (100%)
b) Knowing the senior personal carer is available onsite if you need them (8am – 6pm)	828 (60%)	473 (34%)	84 (6%)	1385 (100%)
c) Providing reception and health and safety services	599 (48%)	534 (43%)	112 (9%)	1245 (100%)
d) Assistance from staff in emergencies	843 (63%)	447 (33%)	53 (4%)	1343 (100%)
e) Help or support to organise Social Activities	352 (30%)	485 (41%)	336 (29%)	1173 (100%)
f) Help to access other services e.g. Repairs, medical and other social work services	604 (47%)	547 (43%)	132 (10%)	1283 (100%)
g) Managing appointments, workmen	429 (36%)	576 (47%)	210 (17%)	1215 (100%)
h) Support with letters and filling in forms	354 (30%)	463 (39%)	372 (31%)	1189 (100%)
i) Ensuring communal areas are kept clean and tidy	790 (59%)	513 (38%)	40 (3%)	1343 (100%)
j) Support to maintain your tenancy	520 (43%)	477 (40%)	201 (17%)	1198 (100%)
k) Help with relationships and neighbours	373 (32%)	474 (40%)	333 (28%)	1180 (100%)
l) Knowing personal care is on hand if I need it	798 (59%)	491 (36%)	74 (5%)	1363 (100%)

Figure 7 tells us which activities provided by senior personal carers are rated as 'most important' by respondents. When comparing percentages of total respondents answering each question, the top 'very important' activities are 'assistance from staff in an emergencies' (63%) 'knowing a senior personal carer is available if needed' (60%) and 'knowing personal care is on hand' / 'ensuring communal areas and kept clean and tidy' (59%).

When combining the 'very important' and 'important' categories, 97% of respondents to the question thought that 'ensuring communal areas are kept clean and tidy' was important, 96% said that 'assistance from staff in emergencies' was important and 95% agreed that 'knowing personal care is on hand' was important.

The top 3 activities rated as 'not important' were 'support with letters and filling in forms' (31% not important), 'help or support to organise social activities' (29%) and 'help with relationships with neighbours' (28%)

Question 8 - Thinking about the options you ticked in Question 7, how satisfied are you with any of the services you have received in the past 6 months?

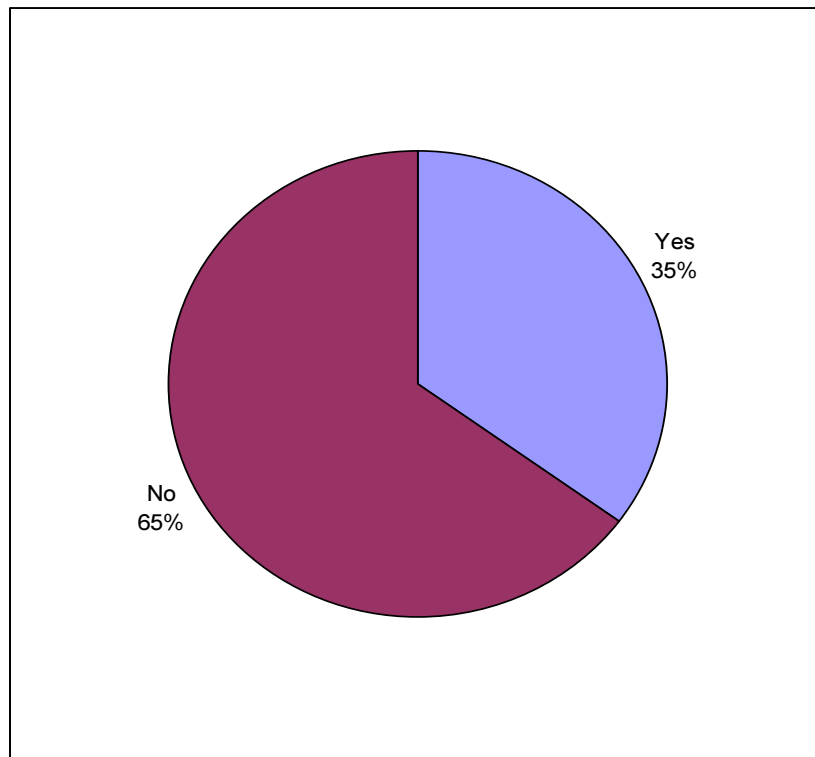
Figure 8

Service	Very Satisfied	Satisfied	Dissatisfied	Very Dissatisfied	Total
a) A daily call from staff	675 (50%)	616 (46%)	42 (3%)	11 (1%)	1344 (100%)
b) Senior personal carer being available 8am – 6pm	583 (46%)	593 (47%)	58 (5%)	21 (2%)	1255 (100%)
c) Reception and health and safety services	393 (38%)	589 (56%)	46 (4%)	20 (2%)	1048 (100%)
d) Assistance from staff in emergencies	545 (47%)	538 (47%)	46 (4%)	19 (2%)	1148 (100%)
e) Help or support to organise Social Activities	261 (28%)	519 (57%)	93 (10%)	48 (5%)	921 (100%)
f) Help to access other services e.g. repairs, health and other social work services	362 (35%)	600 (57%)	66 (6%)	20 (2%)	1048 (100%)
g) Managing appointments, workmen	291 (30%)	610 (61%)	65 (7%)	16 (2%)	982 (100%)
h) Support with letters and filling in forms	267 (31%)	512 (60%)	58 (7%)	21 (2%)	858 (100%)
i) Ensuring communal areas are kept clean and tidy	490 (41%)	582 (50%)	71 (6%)	38 (3%)	1181 (100%)
j) Support to maintain your tenancy	336 (36%)	538 (58%)	33 (4%)	16 (2%)	923 (100%)
k) Help with relationships and neighbours	267 (30%)	545 (62%)	48 (5%)	25 (3%)	885 (100%)
l) Personal care	383 (43%)	451 (51%)	39 (4%)	22 (2%)	895 (100%)

Figure 8 tells us how satisfied respondents are with the services provided by senior personal carers in the last 6 months. When comparing percentages of total respondents answering each question, highest satisfaction levels can be found in 'a daily call from staff' and 'assistance from staff in an emergency'. When combining the 'very satisfied' and 'satisfied' categories, the figures tell us that with the exception of 'help or support to organise social activities' all other categories have over 90% satisfaction rates.

Question 9 - Have you ever needed to call for help between 6.00pm and 8.00am?

Figure 9

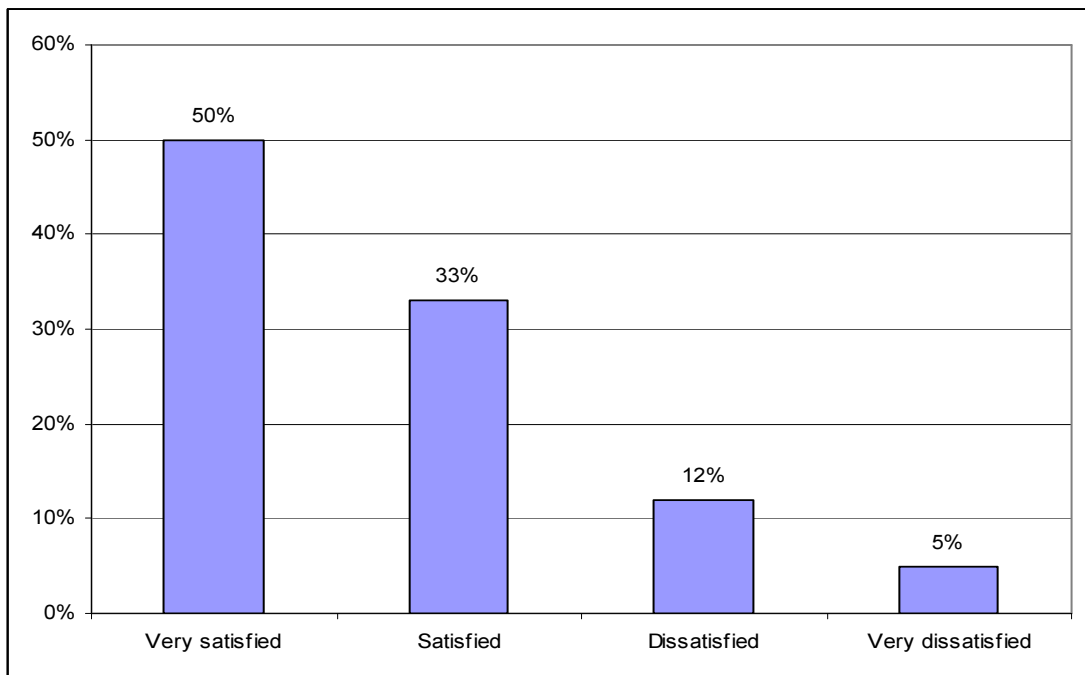


N=1384

Figure 9 tells us that just over a third (35%) of respondents have needed to call for help between 6pm and 8am and two thirds (65%) of respondents have not.

Question 10 - If you answered yes to question 9 and thinking about the last time you called for help between 6.00pm and 8.00am, how satisfied were you with the response you received?

Figure 10



N=524

Figure 10 tells us that half of the 524 respondents were very satisfied with the service they received when they last needed to call for assistance between 6pm and 8am. A further third of respondents were satisfied with the service. It should be noted here that a total of 524 respondents answered this question even though only 490 said they had used the out of hour's service in Question 9.

Question 11 - Please provide information about social activities in your sheltered housing complex?

Figure 11

Social Activity	No.	As a % of total respondents
a) We have social get togethers. E.g. morning coffee, afternoon tea	1016	68%
b) There are activities and entertainment organised in the complex	1113	75%
c) We have exercise sessions and receive information about keeping well	436	29%
d) If social activities are provided, I am encouraged and supported to attend	792	53%
e) There is a tenants group operating in my sheltered housing complex	824	55%

N= total respondents 1491

Respondents were asked to tell us about the social activities that took place in their sheltered housing complex. Figure 11 shows the number of respondents that indicated that these activities did take place and the final column shows this number as a percentage of the total respondents answering the survey. Three quarters of respondents say there are activities and entertainment organised in the complex and 68% say there are opportunities for social get togethers. Less than a third of respondents say that exercise sessions take place.

Respondents were also asked to tell us what 'other' social activities were offered. The main response given was bingo with 75 respondents mentioned it. Other social activities included games (pool, darts, scrabble, cards, table bowls), art and crafts, church, fish suppers, quiz nights, bus trips and special dinners for Christmas, Hogmanay etc.

A few respondents mentioned that social activities were organised by the tenants committee rather than the local authority.

Question 12 - How strongly do you agree or disagree with the following statements about living in your sheltered housing complex?

Figure 12

	Strongly Agree	Agree	Disagree	Strongly Disagree	Total
a) I can be independent	680 (49.5%)	666 (48.5%)	23 (1.6%)	4 (0.4%)	1373 (100%)
b) My privacy is respected	702 (50.4%)	669 (48%)	17 (1.3%)	4 (0.3%)	1392 (100%)
c) My home is well designed	526 (39.4%)	678 (50.8%)	103 (7.7%)	28 (2.1%)	1335 (100%)
d) My home is warm enough	660 (47.4%)	672 (48.3%)	47 (3.4%)	13 (0.9%)	1392 (100%)
e) Help is close by should I need it	594 (43.8%)	704 (52%)	51 (3.8%)	6 (0.4%)	1355 (100%)
f) My rent costs are reasonable	316 (24%)	705 (54%)	195 (14.8%)	97 (7.2%)	1313 (100%)
g) There is always someone to talk to if I feel lonely	343 (27%)	738 (58.4%)	146 (11.6%)	39 (3.0)	1266 (100%)

Respondents were asked to tell us how strongly they agreed or disagreed with a series of statements. The statement respondents' most strongly agreed with was that 'my privacy is respected' (50.4%). This was followed very closely by 'I can be independent' (49.5%). The strongest disagreement related to the statement 'my rent costs are reasonable' (7.2%). Generally, agreement with the statements was strong with only options f) and g) attracting less than 90% agreement when combining the 'strongly agree' and 'agree' columns.

Question 13 - If you said ‘strongly disagree’ to any part of Question 12, can you tell us why that is? (Responses have been grouped and are currently being analysed).

In 2005, Aberdeen City Council introduced charging for any future resident moving into sheltered accommodation. This was due to legislation contained within the Housing (Scotland) Act 2001 and changes in Housing Benefit legislation. Anyone moving in is offered a financial assessment to clarify what, if any contribution they are required to make towards the cost of service. The current system of charging for housing support service applies only to residents taking up occupancy after March 2005.

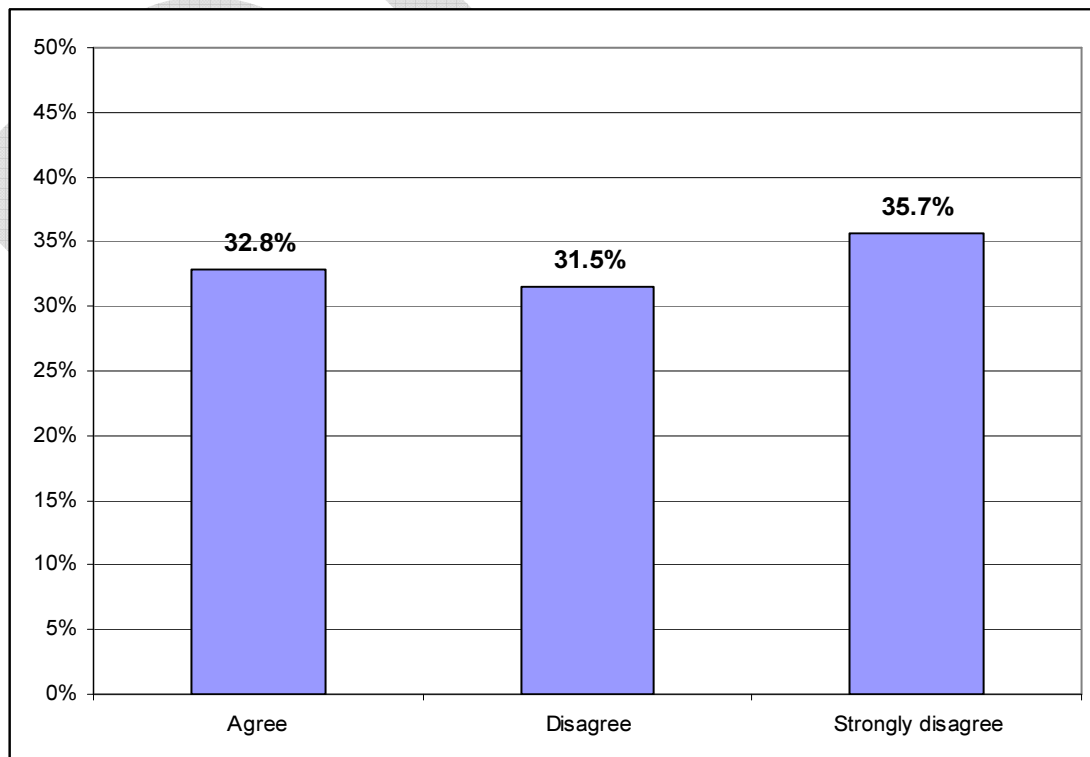
Question 14 - Please tick the answers that best describe your views

Figure 14

	Agree	Disagree	Strongly Disagree	Total
a) The current system of only some tenants paying for the support service is fair	395 (32.8%)	380 (31.5%)	430 (35.7%)	1205 (100%)
b) The Council should consider widening the current system to financially assess all tenants in sheltered housing, on their ability to pay for support services, regardless of their date of occupation	671 (57.2%)	209 (17.8%)	294 (25%)	1174 (100%)

a) The current system of only some tenants paying for the support service is fair.

Figure 15

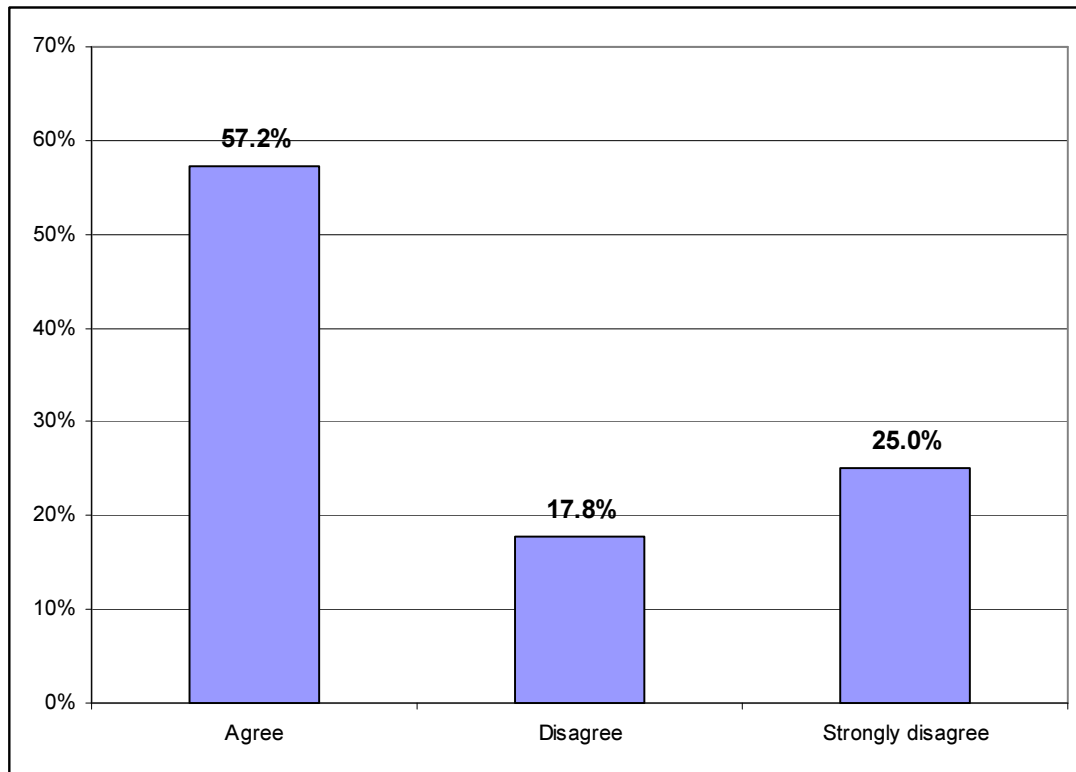


N=1205

Figure 15 tells us 67% of respondents disagree or strongly disagree with this statement. Approximately one third agree.

b) The Council should consider widening the current system to financially assess all tenants in sheltered housing, on their ability to pay for support services, regardless of their date of occupation

Figure 16



N= 1174

Figure 16 tells us that 57% of respondents agree with statement b) and 43% disagree or strongly disagree.

Question 15 - If you said 'strongly disagree' to any part of question 14, can you tell us why that is?

Responses to Q 15 have been grouped and are currently being analysed).

**Question 16 - How did you make the decision to move into sheltered housing?
Please tick the box that best describes your decision to move:**

Figure 18

	No. of responses	% of responses
a) It was solely my decision to move	497	23%
b) While other people/professionals were involved, I took the decision myself	304	14%
c) It was a joint decision between myself and my family	476	22%
d) It was more the decision of my family than myself that I should move	99	5%
e) It was more the decision of doctors/social services that I should move	383	17%
f) The housing department suggested I move into sheltered housing	184	9%
Other (please specify)	204	10%
TOTAL	2147	100%

Question 16 asked respondents to identify the main reason for moving into sheltered housing. Almost a quarter of responses agreed with statement a) and this was followed very closely by statement c). Please note, respondents were asked to 'tick the box that best described their decision to move'. This question received 2147 responses from 1491 respondents so it is possible that 656 respondents ticked more than one box. As this is the case, these results may be skewed and should be used with this caveat attached.

Question 17 - Can you please tell us your 3 main reasons for moving into sheltered housing? (Please tick up to 3 options)

Figure 19

	No. of responses
a) I was worried about my health and needed a support service	445
b) I needed somewhere to live that was designed for to meet my needs	544
c) I wanted to downsize my home as the upkeep of my previous home was getting too much for me to manage	296
d) I wanted to feel safer	658
e) I needed somewhere warmer/in better condition than my previous home	272
f) I was lonely and wanted the company of people my own age	185
g) Even though I might need some help, I want to stay independent for as long as possible	771
h) I decided to move now rather than face upheaval in later years	413
i) I wanted to live closer to my relatives/friends	242
j) My relatives/friends wanted me to live in a supported environment	264
k) I moved to sheltered housing because my spouse/partner needed the support provided	318

Respondents were asked to identify up to three main reasons for moving into sheltered housing. The most popular response with 771 responses was g) 'even though I might need some help, I want to stay independent for as long as possible'. This was followed by d) 'I wanted to feel safer' with 658 responses and b) 'I needed to live somewhere that was designed to meet my needs'. The option least likely to get ticked was option f) 'I was lonely and wanted the company of people my own age'.

Question 18 - Do you feel safe in and around your sheltered housing complex?

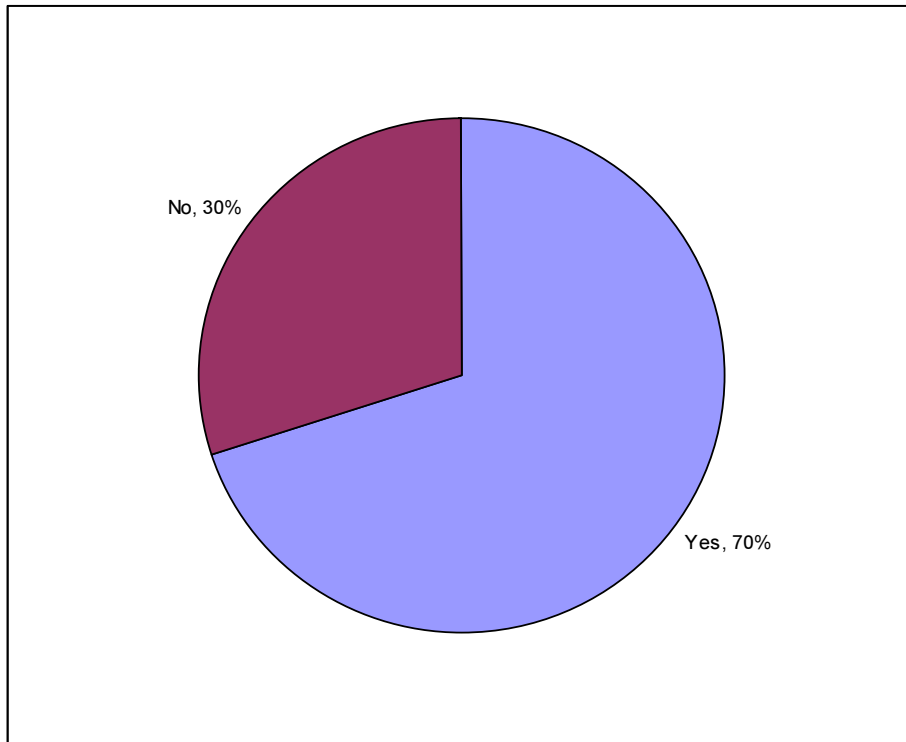
Figure 20

	Yes	No	Total
a) I feel safe inside my accommodation	1317 (99%)	14 (1%)	1331 (100%)
b) I feel safe inside my sheltered housing complex	1207 (96%)	49 (4%)	1256 (100%)
c) I feel safe in the area around my sheltered housing complex	993 (82%)	211 (18%)	1204 (100%)
d) I feel safe at night in my sheltered housing complex	1209 (94%)	76 (6%)	1285 (100%)

Respondents were asked how safe they felt in and around their sheltered housing complex. Figure 20 tells us that the vast majority of respondents in every case say they feel safe.

Question 19 - Do you know how to make a complaint about the services you receive?

Figure 21

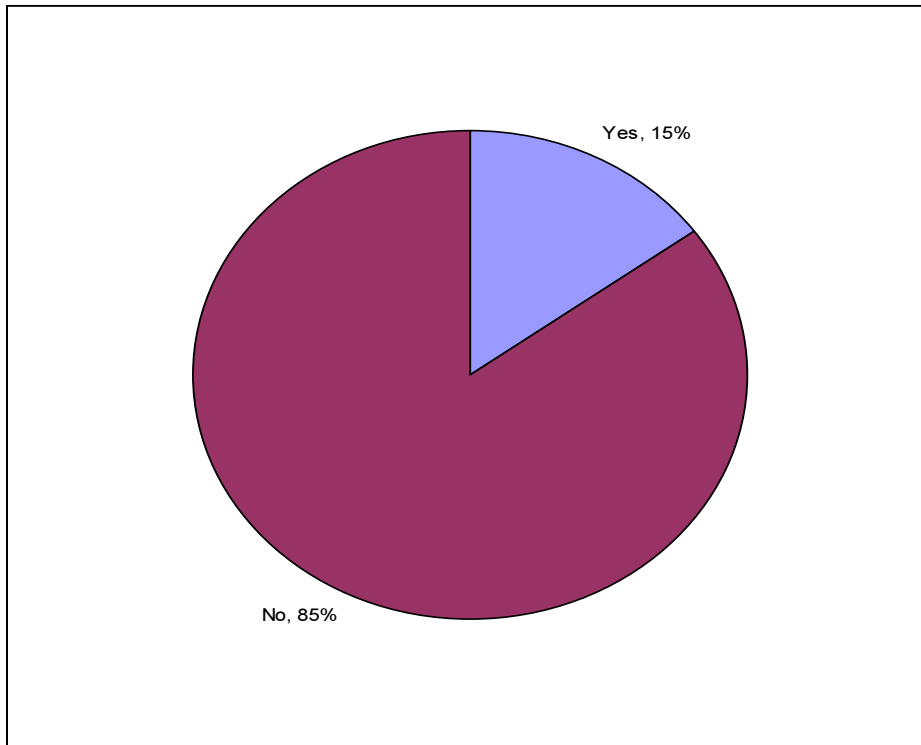


N=1389

Figure 21 tells us that 966 respondents (70%) knew how to make a complaint about a service they receive and 423 (30%) did not.

Question 20 - Have you ever complained about any aspect of your sheltered housing or your housing support service?

Figure 22



N=1412

Figure 21 tells us that 1204 (85%) respondents had not complained about any aspect of their sheltered housing or housing support service and 208 (15%) had complained.

Question 21 – If you answered yes to question 20, how satisfied were you with the way your complaint was handled?

Figure 23

	Total responses	% of responses
a) Very satisfied	60	18%
b) Satisfied	125	41%
c) Dissatisfied	64	21%
d) Very dissatisfied	55	18%
TOTAL	304	100%

Respondents who had indicated they had complained in Question 20, were asked how satisfied they were with the way their complaint was handled. 59% were satisfied or very satisfied compared with 39% who were either dissatisfied or very dissatisfied. Please note, only 208 respondents had indicated they had complained in Question 20 but there are 304 responses to Question 21. As this is the case, these results may be skewed and should be used with this caveat attached.

Question 22 - Below is a list of general statements about sheltered housing. We are interested in finding out whether you agree or disagree with the following statements.

Figure 24

	Agree	Disagree	Total
a) Sheltered housing and the support provided is a good service for older people	1380 (98%)	26 (2%)	1406 (100%)
b) Sheltered housing could be used for residents other than older people, such as younger people with disabilities	612 (47%)	691 (53%)	1303 (100%)
c) Since moving to sheltered housing, I find it easier to get other social care and health services if I need them	906 (78%)	245 (22%)	1151 (100%)
d) I would find it difficult to share sheltered housing with people with dementia or confusion	584 (47%)	661 (53%)	1245 (100%)
e) I would not mind if non residents came into my sheltered complex to receive day care/other services	615 (48%)	660 (52%)	1275 (100%)
f) Sheltered housing works best for older people who are in relatively good health and who are able to live quite active lives	1182 (87%)	179 (12%)	1361 (100%)
g) I wish I had moved into sheltered housing earlier than I did	712 (62%)	441 (38%)	1153 (100%)

Question 22 asked respondents whether they agreed or disagreed with a series of statements. The results varied with the highest agreement given to a) sheltered housing and the support provided is a good service for older people (98%) and f) Sheltered housing works best for older people who are in relatively good health and who are able to live quite active lives (87%). The highest disagreement was seen in b) Sheltered housing could be used for residents other than older people such as younger people with disabilities (53%) , d) I would find it difficult to share sheltered housing with people with dementia or confusion (53%) and e) I would not mind if non residents came into my sheltered complex to receive day care/ other services (52%).

Question 23 – Do you have any further comments you wish to make in regards to sheltered housing and housing support services in the city? Responses to question 23 have been grouped and analysed and considered within the Reivew Report.

APPENDIX 8

Lead Scoring Criteria						Lead Score	
	Physical Condition	Financial Viability	Fit & Appropriate for Service	Location & Amenity	Future Potential	Weight	Lead Score
Weighting Scale	20%	10%	25%	20%	25%	Out of 10	A,B,C
Ashgrove Court	6	7	7	7	4	6.1	B
Balmoral Court	7	8	4	6	4	5.4	C
Balnagask Place	7	7	7	8	3	6.2	B
Bede House Court	6	2	2	4	2	3.2	C
Berrymoss Court	9	3	4	7	4	5.5	C
Brimmond Court	5	4	4	5	2	3.9	C
Castleton Court	7	8	5	6	4	5.7	B
Charlie Devine Court	10	10	10	10	10	10.0	A
Clashieknowe	1	2	2	6	1	2.4	C
Clifton Court	4	2	2	5	1	2.8	C
Constitution Court	9	9	8	8	8	8.3	A
Coronation Court	9	10	10	10	10	9.8	A
Craigton Park	8	5	3	7	2	4.8	C
Denmore Court (cottages and VS main complex)	9	9	10	8	9	9.1	A
Denseat Court	10	9	9	8	8	8.8	A
Dominies Court	9	9	9	8	9	8.8	A
Donview House	8	6	5	6	3	5.4	C
Fairley Den	8	9	9	10	9	9.0	A
Fullerton Court	6	5	5	4	4	4.8	C
Gairn Court	7	8	5	6	4	5.7	B
Granitehill House	6	6	2	4	2	3.6	C
Gray Court	8	9	8	8	8	8.1	A
Hamewith	9	9	8	9	9	8.8	A
Hilton Court	6	5	5	5	4	5.0	C
Janesfield Manor	10	10	10	10	10	10.0	A
Kingswood court Cottages	10	10	10	10	10	10.0	A
Kingswood Court VSH	9	10	9	10	9	9.3	A
Lewis Court	8	9	8	8	8	8.1	A
Loch Court	8	9	8	9	9	8.6	A
Lord Hay's Court	8	8	6	6	5	6.4	B
Margaret Clyne Court	10	10	10	9	10	9.8	A
Mark Bush Court	10	10	10	9	10	9.8	A
Meadow Court	6	2	5	2	3	3.8	C
Murray Court	6	5	5	4	4	4.8	C
North Balnagask Road	7	7	5	8	3	5.7	B
Parkhill Court	9	3	4	7	4	5.5	C
Provost Hogg Court	9	8	9	8	9	8.7	A
Quarryhill Court	9	10	9	9	9	9.1	A
Regensburg Court	6	8	6	4	4	5.3	C

Seaton House	8	5	5	6	3	5.3	C
Seaview House	8	5	5	6	3	5.3	C
Short Loanings	10	7	3	5	2	5.0	C
Smithfield Court	5	2	4	2	2	3.1	C
South Constitution Street	9	9	6	6	6	6.9	B
St Clement's Court	6	7	6	6	4	5.6	B
Stewart Park Court	6	5	5	5	4	5.0	C
Stocket Grange	9	10	9	9	9	9.1	A
Taransay Court	8	8	8	9	8	8.2	A
Thorngrove Court	8	8	2	6	4	5.1	C
Woodhill Court	7	8	5	6	4	5.7	B

Draft



Sheltered Housing Service

What Your Senior Carer Will Do For You

- Provide an effective care and housing support services within the complex and ensure the effective day to day running of the complex
- Ensure your needs are met in a caring and competent way at the same time encouraging you to live independently in your own home
- Co-ordinate the care within the complex ensuring all assessed care needs are met
- Participate in the direct provision of effective care and support for you
- Contact you via the call system every morning to ensure you are well
- Ensure effective communication and monitoring systems are in place
- Develop and work to care plans and support programmes with individuals and to assist with their regular reviews
- Ensure high standards of service delivery and monitor staff practice to ensure that expected standards of practice and conduct are maintained
- Utilise links with social work teams and other partners in order to provide the best possible care and support to you
- Support and work with your carers/relatives/friends in meeting your needs
- Ensure that the service is part of the local community, and that the community is involved in the provision of the service wherever possible
- Promote and encourage you to organise and participate in social and learning activities
- Ensure that all health and safety regulations are adhered to, including carrying out risk assessments, fire safety checks and alarm testing on a weekly basis so that a safe and secure environment is provided at all times

- Undertake caretaking duties to ensure communal areas are maintained in a clean and tidy condition (e.g. clearing snow at entrances & communal footpaths and mopping up any spillages)
- Prevent unauthorised persons entry to the complex where possible
- Gain access to your property in the case of an emergency and contact the appropriate emergency service(s)
- Contact your G.P. and/or relatives should you become ill or have an accident
- Be available to answer any queries you may have or issues which are causing you concern, particularly in relation to fault reporting etc.
- Ensure the Guest-Room is in readiness to receive guests at all times
- Ensure that all relevant standards are monitored and met within services

Supporting People - List of Housing Support Tasks:

The guidance on the application of the Housing (Scotland) Act 2001 (Housing Support Services) Regulations 2002 sets out a list of 21 prescribed housing support tasks that are eligible for Supporting People Funding.

Prescribed tasks:

- 1 General counseling and support including befriending, advising on food preparation, reminding and non-specialist counseling where this does not overlap with similar services provided as personal care or personal support.
- 2 Assisting with the security of the dwelling required because of the needs of the service user.
- 3 Assisting with the maintenance of the safety of the dwelling.
- 4 Advising and supervising service users on the use of domestic equipment and appliances.
- 5 Assisting with arranging minor repairs to and servicing of a service user's own domestic equipment and appliances.
- 6 Providing life skills training in maintaining the dwelling and curtilage in appropriate condition.
- 7 Assisting the service user to engage with individuals, professionals and other bodies with an interest in the welfare of the service user.
- 8 Arranging adaptations to enable the service user to cope with disability.
- 9 Advising or assisting the service user with personal budgeting and debt counselling.
- 10 Advising or assisting the service user in dealing with relationships and disputes with neighbours.
- 11 Advising or assisting the service user in dealing with benefit claims and other official correspondence relevant to sustaining occupancy of the dwelling.

- 12 Advising or assisting with resettlement of the service user.
- 13 Advising or assisting the service user to enable him or her to move on to accommodation where less intense support is required.
- 14 Assisting with shopping and errands where this does not overlap with similar services provided as personal care or personal support.
- 15 Providing and maintaining emergency alarm and call systems in accommodation designed or adapted for and occupied by elderly, sick or disabled people.
- 16 Responding to emergency alarm calls where such calls relate to any of the housing support services prescribed in the Regulations, in accommodation designed or adapted for and occupied by elderly, sick or disabled people.
- 17 Controlling access to individual service users' rooms
- 18 Cleaning of service users' own rooms and windows.
- 19 Providing for the costs of resettlement services.
- 20 Encouraging social intercourse and welfare checks for residents of accommodation supported by either a resident warden or a non-resident warden with a system for calling that warden where this does not overlap with similar services provided as personal care or personal support.
- 21 Arranging social events for residents of accommodation supported by either a resident warden or a non-resident warden with a system for calling that warden.

QUAD OF AIMS FOR THE TWO-DAY WORKSHOP SHELTERED HOUSING CHARGING POLICY

<p>Purpose:</p> <p>To reach agreement on the principles and framework that will inform the policy for charging for services in Aberdeen City Council's sheltered housing. This includes:</p> <ul style="list-style-type: none"> • Integrated care at home (housing support and care services); • meal charge in very sheltered housing • guest room charges 	<p>Stakeholders and Benefits:</p> <ul style="list-style-type: none"> • Aberdeen City Council <ul style="list-style-type: none"> ○ Housing & Environment ○ Social Care & Wellbeing • Sheltered housing tenants • Registered Social Landlords (RSLs) • Service users and carers
<p>Deliverables:</p> <p>At the end of the workshop, the following end results will have been achieved:</p> <ul style="list-style-type: none"> • Agree framework for the policy for charging for Integrated care at home/housing support service. • Agree policy for charging for meal services in very sheltered housing • Agree policy for charging for guest rooms in sheltered housing • Agree scope of charge in light of COSLA guidance relating to those previously exempted (protected tenants) i.e. universal charge or status quo. • Agreement on scope of tasks relating to housing support, housing management and free personal care 	<p>Measures of Success:</p> <ul style="list-style-type: none"> • Report to Housing and Environment and Social Care & Wellbeing Committees showing impact for service (or Council). • Implementation plan for setting level of charge. • Implementation of new policy. • Tenant Satisfaction.

Membership/Attendees:

Sponsor: Donald Urquhart, Head of Service, Housing and Environment
Liz Taylor, Head of Service, Social Care & Wellbeing

Core Group Membership

Core Participants (members of Charging Policy Sub Group):

Graeme Stuart, Strategist, Housing & Environment
Heather Stadames, Team Manager, Social Care & Wellbeing
Garry Brown, Supporting People Coordinator
Paul Dixon, Finance (Day 1)
Helen Sherrit, Finance (Day 2)
Dorothy Askew
Joanna Caie
Fiona Tyrie
Jim Currie

Visitors:

Day one:

Tenant representatives:

Alice Brebber, Lewis Court
Margaret Sergeant, Lewis Court
Jim & Doreen Milne, Quarryhill Court
Bill Pinkerton, Loch Court
Muriel Beaton, Densat Court
Trudie Duff, Densat Court
Carol Hannaford, Tenant Participation Officer
Caroline Souter, Tenant Participation Officer

Day two:

Housing & Social Care & Wellbeing:

Area Housing Team – Alan Cowie, Senior Housing Assistant
Graeme Carle, Senior Housing Assistant
Isobel Paterson, Housing Assistant
Vivien Milne, Neighbourhood Manager, Social Care & Wellbeing

RSL Partner Organisations:

Graeme Watson, Tenants First Housing Cooperative
Mandy Rae, Castlehill Housing Association
Andy Reeves, Hanover Housing Association
Yvonne Sharp, Hanover Housing Association

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ABERDEEN CITY COUNCIL

COMMITTEE	Council
DATE	14 December 2011
DIRECTOR	Gordon McIntosh
TITLE OF REPORT	City Garden Project – Gauging Public Support
REPORT NUMBER:	EPI/11/342

1. PURPOSE OF REPORT

- To present Council with information relating to the practicalities and costs associated with holding either a public referendum or an independently-conducted, statistically significant opinion poll as possible alternative ways of judging the level of public support for the City Garden Project.
- To obtain a decision from Council as to whether they wish to undertake a referendum or an opinion poll to judge the level of public support for the City Garden Project.
- To present Council with suggested wording for the question(s) to be included in any referendum or opinion poll, following consultation with Aberdeen City Gardens Trust Ltd and the Friends of Union Terrace Gardens and to obtain Council agreement on the proposed wording.

2. RECOMMENDATION(S)

- (i) That Council agrees to:

EITHER:

- a) Hold a non-binding public referendum, in accordance with Section 5.3 (i) – (xxi) of the previous EP&I report (attached as Annex 1 to this report) and allocate a budget of up to £250,000

from the Council's contingency budget¹, to pay for this referendum.

OR

- b) Commission an opinion poll based on a quota sample of 2000 Aberdeen citizens, which is representative of Aberdeen's population above the age of 16, and allocate a budget of up to £60,000², from the Council's contingency budget, to pay for this.

OR

- c) Commission an opinion poll based on a quota sample of 1000 Aberdeen citizens, which is still statistically significant and representative of Aberdeen's population above the age of 16 but reduces the time needed to complete the poll, and allocate a budget of up to £47,600, from the Council's contingency budget to pay for this.
- (ii) That Council agrees to use the wording outlined in either Section 5.3 d), 5.3 e) or 5.3 f) of this paper, for any referendum or opinion poll question (as proposed by Aberdeen City Gardens Trust and Friends of Union Terrace Gardens), or agrees to adopt an alternative, fair compromise between these three positions - subject to wider testing of the agreed question, to confirm its overall suitability³.

3. FINANCIAL IMPLICATIONS

Should Council decide to hold a referendum, they will need to allocate a budget of £250,000 from the Council's contingency budget.

¹ The Council budgets annually for a level of contingency to meet one off or exceptional items of expenditure that arise within a financial year. This cost would fall within this category and could be met from this corporate provision.

² It is suggested that the cost of any opinion poll be restricted to a maximum cost of £60,000 to ensure that the Council's restricted tendering process can be used to appoint an appropriate contractor.

³ Testing will involve placing the document attached as Annex 2 to this paper on the Council's website, from 7th to 12th December. This comprises the proposed question and a short questionnaire prepared by the Council's Election Team. The questionnaire has been designed to determine whether the proposed question meets the electoral commission guidelines on referendum questions in terms of being simple, balanced, to the point and avoiding the use of words that suggest a judgment or opinion.

Should Council decide to commission an opinion poll, of the type recommended in this paper, they will need to allocate a budget of up to £60,000 from the Council's contingency budget and provide appropriate support from the Council's procurement and legal teams during the tendering process that would need to be used to appoint a suitable contractor.

Council Officers believe that some contribution may be forthcoming from an external party prior to the Council meeting on 14 December. However the details of this were unknown at the time this paper was submitted for distribution to Council members.

If this external funding fails to materialise, the Council will need to bear the full cost of either option.

4. OTHER IMPLICATIONS

There will be implications associated with the recommendations included in this paper in terms of the allocation of staff time to preparing and planning for the referendum, managing and implementing the referendum and the use of public buildings required for running the referendum.

Should Council decide to commission an opinion poll, council officer's time input will be required to undertake the procurement process and thereafter ensure that the appointed opinion poll company undertakes the assignment in line with the agreed brief.

5. BACKGROUND/MAIN ISSUES

5.1 Introduction

Following acceptance of a motion submitted by Councillor Kevin Stewart to EP&I Committee on 13 September, officers were asked to produce a report for the 14 November EP&I Committee to inform members of:

- the practicalities and costings associated with holding a postal ballot of all Aberdeen electors, to gauge public support for the City Gardens Project,
- the possibility of being able to source funding for the referendum from bodies other than the Council, and

- The possibility and practicality of young people, below the age of 18, being included in the referendum.

At EP&I Committee, on 14 November, a motion was subsequently approved to:

- Note the content of the report and thanked officers for the considerable work that has gone into its preparation.
- Refer the report to the consideration of Council on 14th December.
- Instruct officers to report to Council on 14th December, detailing the cost and feasibility of an independently-conducted, statistically significant opinion poll as an alternative way of judging the level of public support for the project. This report should include the feasibility of including young people of 16 or over in the sample.
- Instruct officers to produce a report for submission to Council on 14th December seeking approval for the wording of the question(s) to be included in any opinion poll or referendum, this report to be the subject of consultation with Aberdeen City Gardens Trust Ltd and the Friends of Union Terrace Gardens.

Accordingly, the paper submitted to EP&I Committee is attached as Annex 1 to this paper and the details concerning an independently-conducted, statistically significant opinion poll, including young people above the age of 16, are outlined in the following section (section 5.2)

Details concerning the proposed question to be included in any referendum or opinion poll are provided in Section 5.3.

5.2 Opinion Poll Option

Following the EP&I Committee decision, on 14 November, Council Officers approached one of the UK's leading opinion poll research organisations and asked them to put forward their ideas for a survey of Aberdeen City residents to establish opinion on the proposed development of Union Terrace Gardens.

It was made clear to this organisation that the information they provided would be used as a basis for this Council paper, on a non-attributable basis, and should the Council agree to commission an opinion poll it would require to tender any such assignment.

The organisation that was approached, and subsequently agreed to provide the relevant information works across all parts of Scotland conducting research for all sectors, and they were already well aware of the background to the City Garden Project and to the strength of opinion which has arisen from all sides as a result of the proposed development.

In particular, they were aware that:

- a previous consultation exercise ran from January to March 2010 and that this involved a number of different strands, including: promotion and information dissemination to raise awareness of the consultation and the ways in which people could take part; opportunities to feedback online, by post, free phone, SMS and email; focus groups with special interest groups; a quantitative survey involving in-street interviews with the general public; and qualitative research with school pupils and youth representatives.
- This consultation exercise found that public opinion was split⁴, with support levels varying depending on the feedback mechanism used and by different demographic characteristics such as age.
- Although there was a lack of consensus on the development plans, the consultation was nevertheless a helpful exercise in terms of finding out what is important to people in the city centre and what they do and do not want to see within the project.
- The project has moved on substantially since this consultation process and the City Garden Project can no longer be reasonably regarded as being the same City Square Project that was portrayed during the previous consultation process. Also, the Peacock visual Arts project, which was viewed as a realistic alternative to the then City Square Project, is no longer regarded as an alternative option.
- On 23 November 2011, following a fortnight-long public exhibition of the six designs submitted as part of an international design competition process, the City Garden Project competition jury decided to select two designs for further, more detailed, consideration – namely, the Granite Web and Winter Garden designs. Further clarification work is now being undertaken by the

⁴ The executive summary of the Consultation report states: “The public were nearly evenly split for and against the City Square project, with marginally more against the project than for it. Although opinion was split on the proposal there was a strong feeling that the current gardens were underused, inaccessible and need change.”

two design teams and a decision on the future development of the gardens will be made in the near future.

They are nevertheless confident that a well-designed and managed survey of public opinion, which takes full account of issues relating to sample size, data accuracy, data collection method, and approximate timescales, would provide clear evidence in establishing whether people in Aberdeen support or oppose the development.

The company in question recognises that, given the high-profile nature of the development, the survey has to be sufficiently robust to stand up to scrutiny from the City Council, interest groups and the media. However their work, and the work of other companies in the same business, is regularly conducted around high profile issues and the mechanisms these companies have in place are designed to give a high degree of confidence that the results are robust and reliable.

The ultimate accuracy of any opinion poll can be calculated based on the size of the sample and the size of the population as a whole.

However, the company concerned have only provided data accuracy and subsequent cost figures on representative sample sizes of 500, 1,000 and 2,000 interviews across Aberdeen City – due to the fact that once you get to sample sizes above this level the costs for any survey become very high and the increased levels of data accuracy become minimal (i.e. the law of diminishing returns).

Sample Size and Data Accuracy

The table below illustrates data accuracy based on the three different sample sizes in relation to the total population of Aberdeen City. It is based on 95% confidence intervals. This means that, for example, if you had a sample size of 1,000 with a 70%/30% split between those who said that they supported the new development and those who opposed it, the opinion poll company would be 95% certain that the true figure lies within 2.8% of that, so between 67.2% and 72.8%. In reality the true figure is less likely to lie at those extremes and more likely to lie somewhere closer to 70%. The margin of error reduces the closer the vote gets towards a 90/10 split (1.9% margin of error) and increases the closer it gets to a 50/50 split in opinion (3.1% margin of error).

Table 1: Data accuracy

Size of sample on which survey results is based	Approximate sampling tolerances applicable to percentages at or near these levels		
	10% or 90%	30% or 70%	50%
	+/-	+/-	+/-
500	2.6	4	4.4
1,000	1.9	2.8	3.1
2,000	1.3	2	2.2

Data collection

Having considered all possible methodological approaches to the survey, the company in question, believe that a face-to-face survey of residents, in their home is the most appropriate way of conducting this piece of work. This is because it is the most effective solution for allowing respondents to view the draft design proposals and because it is likely to achieve the highest rate of response and provide the most robust and reliable data - in terms of the representative nature of the sample and the accuracy and informed nature of the responses.

Online surveys are not yet sufficiently representative of the population to produce robust results as key groups, particularly older people and those in more deprived areas, are far less likely to have internet access.

Telephone surveys are more robust given that the majority of the population has a landline. However, telephone is also not fully representative given the proportion of mobile-only households, which are largely concentrated among younger age groups. Also, it would not be possible to visually test opinions of the designs if the survey were done by telephone, and the option of posting designs out to households and then following up with an interview later would be prohibitive in cost and time terms.

Similarly, postal surveys cannot guarantee that the survey profile would be fully representative of the Aberdeen population since there is no way of confirming that the questionnaire is being completed and returned by the person to whom it is sent. Also, since survey participants need to be provided with specific information concerning the various options this would involve additional print and postage costs and there would still be no way of confirming that respondents understood this before completing and returning the postal questionnaire.

There are two main sampling approaches that might be considered for a face-to-face survey, namely;

- Simple random or random clustered sampling – used in large national surveys such as the Scottish Household Survey or Scottish House Condition Survey.
- quota sampling – the approach used in most local authority resident surveys, or

In some respects, random and quota surveys appear similar. The main difference between them at the data collection point (i.e. when the interviewer is out in the field), is the way in which respondents are selected to be included in the survey.

In a random sample, it is normal for specific households to be selected in advance of allocating work packs to interviewers. Once in the field, the respondent within the household is chosen at random giving each member of the study population an equal chance of being selected. Interviewers can and must only attempt to complete an interview with the selected respondent.

Quota sampling uses a different approach to selecting households and respondents to mimic the way random samples achieve a representative basis. Known population information is used to set quotas on a range of socio-demographic variables; for example, age, sex, and working status. Interviewers are instructed to go to particular localities to obtain a specific number of interviews with residents who fulfil these quotas. These localities may be pre-determined at the sampling stage, and defined as lists of addresses (for example, Census Output Areas), and each of these 'clusters' of addresses can be selected using a random approach to ensure a spread across the city.

Based on sampling theory, a random sample should provide more reliable estimates than a quota sample. However, sampling theory is based on a perfect survey – one without any problems of sample coverage or non-response, etc. In practice, random samples are affected by these issues and this need to be considered when comparing sampling methods.

In addition, the research industry knows from decades of experience, such as repeated comparison of surveys of voting intention with actual election outcomes, that quota samples are capable of providing estimates that match actual population figures with a high degree of accuracy. Consequently, for many purposes, when compared with the results from random samples, quota sampling performs well in

providing estimates that are close to known population totals or to estimates derived from random samples.

Alongside reliability, there are practical issues to consider when comparing the relative merits of random and quota surveys. Because the former require interviewers to make repeated call backs to particular addresses, some of which may be several miles apart, the approach tends to require a longer fieldwork period than a quota survey (in which interviewers can visit any addresses within a pre-defined area to achieve their interviews). Using a random clustered approach can help to address this to some extent by reducing the distance between sampled address but this will not obviate the need for repeat call backs.

Therefore, random surveys are considerably more resource intensive and more expensive than quota surveys.

The initial process for drawing a **quota sample** would be similar to that for drawing a random clustered sample. That is, the opinion poll company would use random sampling to select the primary sampling units (Output Areas, or OAs) so that their distribution would be proportionate to the distribution of the population across the city.

However, instead of allocating interviewers a small number of addresses in an OA, at which they must call to attempt to achieve an interview, we would give them a full listing of addresses in the OA. At those addresses we would instruct them to achieve a target number of interviews with individuals who fulfil specified quotas (such as sex, age, work status, ethnicity and disability status) that have been set to reflect the demographic profile of that area. In the quota survey design, interviewers can call at as many addresses as necessary within the OA to achieve their interviews.

The process for conducting a **random sample** would be different. Given that Aberdeen has around 100,000 households the opinion poll company would effectively be sampling one in around every 50-200 households, depending on the sample size options outlined above.

While this approach would in theory deliver statistically reliable data, interviewers would have to spend a considerable amount of time travelling between address in an attempt to make contact with householders and achieve interviews.

Adopting a **random clustered approach** would help to reduce this problem by ensuring that sampled addresses are closer together. In

other words, instead of a simple random sample of households across the city being selected, a stratified random sample of OAs would be sampled with a probability of selection proportional to population, and households would be randomly sampled within each sampled OA. Because OAs are relatively smaller areas, interviewers would be working in more tightly defined areas and fieldwork costs would be lower than for a fully random sample.

The later section on costs provides approximate costs for all three of the above methodologies (i.e. quota sample, simple random sample and random clustered approach).

General Opinion Poll Reliability

Major UK opinion polling organisations have an established track record in delivering surveys which are renowned for their accuracy. Their political polling is perhaps the best example of research that they do which is both in the public domain and objectively verifiable.

Polls during the campaign for the 2011 Scottish Parliamentary elections were recognised by 'Scotland Votes' as being extremely accurate.⁵ Polls conducted in UK General Elections have been similarly recognised for their accuracy. Exit polls in 2005 and 2010 were also very accurate predictors of the final result.

Other examples exist to confirm the accuracy of opinion polls such as the poll conducted by one of the UK's main accountancy bodies to determine members' attitudes to a proposed integration with another accountancy body. Telephone interviews involving a total of 1,184 members were conducted with both UK-based and overseas members. When the actual vote on the integration was held, the survey was within 2% of the final result.

Timescales

The estimated timescales for completing fieldwork for each of the three methodologies previously discussed are outlined in the table below.

⁵ <http://www.scotlandvotes.com/blog/opinion-polls-vs-result>

Table 2: Approximate fieldwork timescales

Sampling approach	Sample size	Timescale (weeks)
Quota	500	3
	1,000	6
	2,000	12
Simple random	500	7
	1,000	14
	2,000	27
Random clustered	500	6
	1,000	10
	2,000	19

Note: The time required to tender this assignment, in line with normal tendering procedures, must be added on to the above time scales. This will likely add at least 12 weeks to each of the above time scales.

Survey costs

The table below outlines an approximate cost for each of the three sample sizes and data collection options. These estimated costs are exclusive of VAT, but include all project management, meetings, travel, design of questionnaire and all other materials, sample definition, all fieldwork, data processing and analysis and, finally, reporting and dissemination.

Table 3: Approximate survey costs

	Sample size	Cost
Quota sample	500	£36,200
	1,000	£47,600
	2,000	£60,200
Simple random	500	£55,100
	1,000	£90,800
	2,000	£157,600
Random clustered	500	£44,000
	1,000	£68,600
	2,000	£114,500

Additional approaches to establishing public opinion

In addition to the data collected in any quantitative survey of Aberdeen City residents, designed to gauge their support (or otherwise) for the City Garden Project, a face to face interview process would also provide scope to collect more in-depth information and explore other

issues, maximising the input residents have to the study, as well as boosting the impact of the research.

For example, a question could be asked towards the end of the quantitative survey, asking if the respondent would be willing to be re-contacted and asked to attend a focus group. Thereafter, analysis of the re-contact data would give an indication of where it would be possible to recruit a sufficient number of residents to groups, as well as providing the option of selecting residents holding particular views on the issues to be explored in more detail.

Recommended Opinion Poll Approach

Based on the above information the most appropriate opinion poll mechanism to use would seem to be a quota sample, based on either a 1000 or 2000 people sample size. If Council were to decide on the lower sample size, this would cost approximately £46,700 and take approximately 18 weeks to complete (including the tender process) If Council were to decide on the higher of these two sample sizes, this would cost approximately £60,200 and take approximately 24 weeks (including the tender process) to complete.

5.3 Proposed Question(s)

Although the Council's Election Team recommend that best practice would normally require a referendum to be based on a simple Yes/No question, this is not easy to achieve when most involved parties have expressed a desire to test two possible options, namely a) support for the City Garden project and, b) Retention of the current UTG.

The question proposed in the EP&I Committee paper therefore tried to reconcile this need for a simple Yes no question with the need to determine support for one or other option.

Whilst noting this, EP&I Committee nevertheless felt that it was important that any question be acceptable to all parties. Hence they instructed Officers to consult with both Aberdeen City Garden trust (ACGT) and the Friends of Union Terrace Gardens (FOUTG) to see whether it might be possible to advise Council on whether there was any agreement on the proposed question from these two parties.

Consequently, on 16 November, immediately following the last EP&I Committee, officers contacted both ACGT and the FOUTG to determine their suggested wording of any referendum or opinion poll

question. An email was sent to both organisations to inform them of EP&I Committee's decision and of the suggested wording included in EP&I Committee paper, which was as follows:.

a) Suggested Referendum/Opinion Poll question (per EP&I Paper)

The recent City Garden International Design Competition has provided Aberdeen City Garden Trust Ltd with a preferred design for redeveloping an area of land bounded by Rosemount Viaduct, Union Terrace, Union Street and the rear of Belmont Street, which includes Union Terrace Gardens. Details of the site and the preferred design are included in the voter information pack issued with your ballot paper.

Please indicate whether or not you support redevelopment of Union Terrace Gardens, in accordance with the Aberdeen City Garden Trust Ltd's preferred design proposal, by ticking one of the following boxes:

YES, I support the proposed City Garden Project

NO, I want to retain the existing Union Terrace Gardens

Both organisations were asked to either provide their suggested wording or indicate that the suggested wording was acceptable by 25th November.

After sending a reminder to both organisations, a response was received from ACGT on 3 December, in which they suggested making some minor amendments to the above proposed question so that it reads as follows:

b) Suggested amendments to the proposed Referendum/Opinion Poll question received from ACGT on 3 December.

The City Garden Project winning design proposes the redevelopment of the area of land bounded by Rosemount Viaduct, Union Terrace, Union Street and the rear of Belmont Street, which includes Union Terrace Gardens and the covering of the dual carriageway and railway line. Details of the site and the preferred

design are included in the voter information pack issued with your ballot paper.

Please indicate whether or not you support redevelopment of Union Terrace Gardens and the Denburn Valley in accordance with the winning design from the international design competition, by ticking one of the following boxes:

YES, I support the proposed City Garden Project

NO, I want to retain the existing Union Terrace Gardens

A response was also received from the Friends of Union Terrace Gardens on 2 December suggesting the following question:

c) Suggested Referendum/Opinion Poll question proposed by the FOUTG on 2 December.

You are being to ask to choose between either retaining Union Terrace Gardens or replacing them with the proposed City Garden Project design.

Which option do you support?

- A) Retaining Union Terrace Gardens
- B) Building the City Garden Project

Whilst this presents what appears to be a straightforward question, it fails to refer to any supporting information that would inform voters as to what is meant by “Building the City Garden Project”

Given that most Aberdeen voters would know what retaining Union Terrace Gardens involves, the fact that they are being asked to compare this against something for which no information is apparently being provided clearly builds in an element of bias to the question. Also, there is no instruction to tell voters how they should indicate their preferred option.

Consequently, having reviewed the initial proposed question included within the EP&I paper in Annex 1 and the suggested questions

proposed by ACGT and FOUTG, Council Officers suggested to both parties, on 3 December) that a suitable compromise would be as follows:

- d) Suggested Referendum/Opinion Poll question taking account of both ACGT and FOUTG proposals.

You are being asked to choose between either retaining Union Terrace Gardens or replacing them with the proposed City Garden Project design

(Please read the voter information pack to make sure you understand what is meant by “retaining Union Terrace Gardens” and “the proposed City Garden Project”).

Which option do you support?

(Please place a cross in the appropriate box)

A) Retaining Union Terrace Gardens

B) Building the City Garden Project

FOUTG confirmed their acceptance of the proposed compromise question on 5 December. However ACGT came back with a proposed amendment to this question, later that same afternoon, as follows:

- e) Suggested ACGT amendments to the previous “compromise” Referendum/Opinion Poll question (see 5.3 d).

You are being asked to choose between either retaining Union Terrace Gardens or replacing them with the proposed City Garden Project design which includes Union Terrace Gardens and involves covering the adjacent dual carriageway and railway line

(Please read the voter information pack⁶ to make sure you understand what is meant by “retaining Union Terrace Gardens” and “the proposed City Garden Project”).

Which option do you support?

(Please place a cross in the appropriate box)

A) The proposed City Garden Project

B) Retaining Union Terrace Gardens

ACGT asked for these amendments to be made because believed the previous suggested compromise question gave the impression that the City Garden Project is restricted to Union Terrace gardens, when in fact UTG is only part of the area covered by the City Garden Project. They also point out that the City Garden is still only a proposal, hence the inclusion of the word “proposed”

They also believed that, since retention of the gardens is placed at the beginning of the introductory paragraph, it is only fair that the option for supporting the proposed City Garden project should be the first option on the ballot paper.

Finally, they believed that use of the word “building” was inappropriate and that the City Garden Project should be referred to as “the proposed City Garden Project”, to reflect the fact that it is still only a proposal.

However, FOUTG subsequently confirmed that they regard the proposed ACGT modifications as being “illogical and unacceptable”, for the following reasons:

- It's unclear and ambiguous to the extent that it doesn't make sense. The wording could be read in a way that suggests the CGP retains the gardens and only builds over the road and railway. Indeed this is how FOUTG first understood it. This is not what is being proposed. It is not plain English as recommended by the electoral commission.

⁶ The voter information pack would include the statement attached as Annex 3 to this Registered campaign groups will also be given the opportunity to include a statement in the voter pack (subject to a maximum number of words) describing their proposals.

- If the ACGT want to explain the context they have the information pack to do so
- It unbalances FOUTG's version which gave equal weight to both options. The ACGT version now gives FOUTG 4 words and ACGT 23 words.
- As FOUTG represent the status quo, they believe they should come first in the actual question.

Having taken account of FOUTG's comments, it would seem that an appropriate compromise may therefore involve reverting to the introductory paragraph used in 5.3 d), whilst reversing the order of the question (since the referendum is actually being held to gauge support for the City Garden Project, not the status quo). This would result in the following Question.

- f) Suggested final compromise between ACGT and FOUTG positions with regard to the proposed Referendum/Opinion Poll question.

You are being asked to choose between either retaining Union Terrace Gardens or replacing them with the proposed City Garden Project design

(Please read the voter information pack to make sure you understand what is meant by "retaining Union Terrace Gardens" and "the proposed City Garden Project").

Which option do you support?

(Please place a cross in the appropriate box)

B) The proposed City Garden Project

A) Retaining Union Terrace Gardens

Since it was not possible to obtain complete agreement prior to the submission of this Council paper, Council are therefore asked to take a view as to whether they would prefer to endorse the question in 5.3 d), 5.3 e) or 5.3 f) or, indeed, whether they wish to propose a further compromise between these three positions.

5.4 Referendum or Opinion Poll?

A referendum is regarded as a democratic and transparent test of opinion and gives all residents an opportunity to have a say on the issue. Whereas, an opinion poll would always be open to accusations that the selected sample could somehow be biased, in favour of one or other point of view, by whoever commissions the survey.

However, referenda on such local issues are rare in Scotland and turnout could well be low.

The referendum held in Edinburgh in 2005 around the proposed introduction of a congestion charge did attract a turnout of 61% but this was an issue which would have a direct financial impact on a large proportion of the population and was an issue which, at the time, was high profile across different parts of the UK.

Although the City Garden Project has been the subject of extensive debate, the previous consultation exercise (which included an internet survey and was not restricted to Aberdeen citizens) generated a sample size of only 14,543 people across all strands of the consultation (opinion poll, focus groups, public and internet survey). This is less than 15% of the City's electoral register. Likewise, the number of people that visited the public exhibition was also less than 10% of the Aberdeen electoral register and was also not restricted to Aberdeen citizens.

Also, a look at local referenda in England, around the issue of introducing directly elected mayors, shows that turnout can be as low as 10%.⁷

Therefore, it is by no means certain that a referendum on the City Garden project would generate a significantly high turnout.

In addition, those who vote in a referendum are more likely to be those with strong and entrenched opinions on this issue, meaning that the lower the turnout, the more likely it is that the result may not reflect the views of the population at large.

⁷ http://en.wikipedia.org/wiki/Referendums_in_the_United_Kingdom

Furthermore, the costs of designing, arranging and managing a referendum are likely to be significantly higher than the costs of all but a large sample-size, random survey and this cost will remain the same irrespective of the turnout. In other words, there is no relationship between cost and survey robustness for a referendum, unlike an opinion poll.

In summary, therefore, a referendum is a more democratic and transparent approach, but a high quality opinion poll survey would cost less and would provide more certainty that any participants were a statistically representative sample of the local population, since only those with strong opinions on the development (either way) may participate in a referendum.

The Council's internal research team agrees that a survey may well be a more effective way of gauging public opinion on this issue than a referendum, due to the fact that;

- A referendum would be restricted to a maximum of 2 or 3 simple questions - whereas a representative face-to-face household survey would generate much richer data.
- The achieved sample sizes and confidence intervals on a 1000 or 2000 sample are perfectly acceptable.
- The cost of conducting a survey will be lower than the cost of a referendum.
- Quota sampling seems to be easier, cheaper and, conducted properly, seems to produce equally valid responses. Quota sampling is used to conduct the Edinburgh citizens' panel surveys and this appears to be statistically robust, even though an element of genuine randomness is missing.

Nevertheless, they point out that any tender for an opinion poll provider would need to;

- Explain how their survey staff will get access to flats with secure entry systems, thereby ensuring that occupants of such property are not excluded from the survey. Census enumerators had this problem earlier this year. They will also need to explain how people who are absent during the day, do not have a lesser chance of participating in the survey than people who are normally at home at that time.

- Indicate the average length of the interviews. Interviews for the Scottish Household Survey last about 45 minutes. But we would expect the City Garden Project interviews to be much shorter. How much shorter will depend on the number of questions that are asked.

However, whilst an opinion poll may be regarded as a more statistically robust way of gauging public support (or otherwise) for the City Garden Project, it is still recognised that this is a less democratic and less transparent option.

Careful consideration also needs to be given to the time scales required to undertake an opinion poll based on a reasonable sample size.

In this respect, a public referendum would have an advantage over a smaller quota sample opinion poll (involving 1000 people), since it would be possible to hold a referendum before the middle of March 2012 at the latest⁸. Despite the fact that undertaking a referendum would also involve some procurement and would mean that a limited time is available for public awareness, encouraging registration and testing the question, the referendum process would not be as extensive as the process needed to procure a contractor to deliver an opinion poll and to agree the methodology etc that would be needed to ensure the representative nature and robustness of any opinion poll.

Tendering for a suitable contractor to undertake the small sample opinion poll, however, would likely mean that the poll could not be started before the start of March 2012. However it would likely not be acceptable to undertake any survey during the local election campaigning period. Therefore the survey would need to commence in the second week of May, meaning the result would not be known before the end of June. The large quota sample opinion poll would take even longer and would most likely not be capable of being completed before the middle of August 2012.

Therefore, although more expensive, a referendum is an established democratic and transparent process that can be undertaken in a much shorter time period.

⁸ It is anticipated that the moratorium in relation to activities that may influence the outcome of local council elections will commence on 13th March. Therefore it would be the intention to hold the referendum before this date.

Whereas an opinion poll, although less expensive and potentially more statistically representative, is a non-democratic and less transparent process and any final result would likely not be forthcoming before 13 March 2012. Indeed, since it will most likely not be possible to undertake the survey during the local election campaign period, the final result is not likely to be available until the end of June 2012 at the earliest for a 1000 quota sample survey (a 2000 quota sample would extend this to Mid August).

6. IMPACT

Corporate

The City Garden project is seen by ACGT as a critical project with regard to the future attractiveness, vitality and connectivity of the City Centre and links to both the **Single Outcome Agreement** and **Community Plan 2008**, which outlines a vision for Aberdeen City which is wealthier, greener and safer.

The project also contributes to the City's **Vibrant, Dynamic & Forward Looking: policy document**, since a fully functioning and well utilised City Gardens represents a vital piece of social, cultural and leisure infrastructure that can contribute to the delivery of the Aberdeen City and Shire Economic Future's '**Building on Energy - An Economic Manifesto for Aberdeen City and Shire**'. This in turn supports the strategic vision of Aberdeen City and Shire, which is to be recognised as one of the most robust and resilient economies in Europe with a reputation for opportunity, enterprise and inventiveness that will attract and retain world-class talent of all ages.

Public

It is anticipated that the project will have a positive impact in terms of the Equalities and Human Rights Impact Assessment, as a direct result of linkages to the Economic Development theme of **Vibrant Dynamic and Forward Looking** and its expected impact on the future sustainable development of the Aberdeen City and Shire economy. The project is also expected to make a major contribution to Aberdeen's business and social infrastructure that supports local businesses and provides a venue for major social, leisure and cultural events for all Aberdeen citizens. An EHRI assessment will be carried out to confirm this view, once the preferred design is known and the various uses of the space within the development scheme have been confirmed

7. BACKGROUND PAPERS

See Annex 1

8. REPORT AUTHOR DETAILS

Gerry Brough

Project Director, Economic and Business Development

52(3197)

gbrough@aberdeencity.gov.uk

ABERDEEN CITY COUNCIL

COMMITTEE	Enterprise, Planning and Infrastructure
DATE	14 November 2011
DIRECTOR	Gordon McIntosh
TITLE OF REPORT	City Garden Project – Possible Referendum
REPORT NUMBER:	EPI/11/335

1. PURPOSE OF REPORT

This report was requested by EP&I Committee following acceptance of a motion submitted by Councillor Kevin Stewart at the last Committee meeting on 13 September. In supporting this motion, Committee asked officers to produce a report to inform Committee of:

- the practicalities and costings associated with holding a postal ballot of all Aberdeen electors, to gauge public support for the City Gardens Project,
- the possibility of being able to source funding for the referendum from bodies other than the Council, and
- The possibility and practicality of young people, below the age of 18, being included in the referendum.

2. RECOMMENDATION(S)

That Committee:

- (iii) Notes the contents of the report
- (iv) Agrees to:
 - a) hold a public referendum, in accordance with Section 5.3 (i) – (xxi) of this report, to gauge public support for the City Garden Project, and
 - b) Instruct officers to produce a further report for submission to Finance and Resources Committee requesting that a budget

of up to £250,000 be allocated, from the Council's contingency budget¹, to pay for the referendum.

- c) Instruct officers to produce a report form submission to Council on 14 December, seeking approval for the wording of any referendum question, should Finance and resources agree to allocate the necessary funding.

3. FINANCIAL IMPLICATIONS

Approval of the recommendations in this paper will result in a request being made to Finance and Resources Committee asking for the allocation of a £250,000 budget from the Council's contingency budget. Should Finance and Resources Committee agree to make such an allocation, the financial impact on the Council will be limited to £250,000 (unless it is decided to make provision for electronic voting, which will increase the financial impact).

4. OTHER IMPLICATIONS

There will be implications associated with the recommendations included in this paper in terms of the allocation of staff time to preparing and planning for the referendum, managing and implementing the referendum and the use of public buildings required for running the referendum.

5. BACKGROUND/MAIN ISSUES

5.5 Introduction

The last meeting of our Enterprise, Planning and Infrastructure Committee approved the following motion:

“That this Council agrees, in principle, that a referendum on the future of Union Terrace Gardens be held after the City Garden design competition is completed, calls on officers to produce a report about the practicalities and costings of holding a postal ballot of all Aberdeen electors and asks officers to investigate sourcing funding for the referendum from bodies other than the Council.”

¹ The Council budgets annually for a level of contingency to meet one off or exceptional items of expenditure that arise within a financial year. This cost would fall within this category and could be met from this corporate provision.

Committee asked for the report to also explore the possibility and practicality of young people, below the age of 18, being included in the referendum, and for the report to be submitted to the next meeting of the Enterprise, Planning and Infrastructure Committee on 15 November, 2011.

5.6 Referendum Practicalities

In terms of the practicalities of holding the referendum, the Council's Legal team have identified no legal impediments to holding a local referendum. There appears to be no governing legislation on this matter in Scotland (unlike in England). Nonetheless, the use of the full electoral register for local referendums is permitted by the Representation of the People (Scotland) Regulations 2001. This would suggest that there is no legal impediment to holding a local referendum per se. However, in the absence of statutory guidance, it is advisable for best practice in respect of local elections/ other comparable democratic processes to be followed for any local referendum.

In relation to the question to be asked, our legal team advise that the question needs to be framed in a yes/no fashion. Further, in their view the ballot paper should not include the preferred design as this may be seen as attempting to influence the outcome (regardless of the fact that voters are being asked whether or not they wish to support the City Garden Project on the basis of a preferred design). Rather, it is suggested that a copy of the design be included in a separate sheet.

Our Legal team have also highlighted that it must be made very clear that the referendum process is separate from any subsequent planning process and cannot be seen to influence this process. This will help protect the legitimacy of the referendum and reduce the risk of challenge or criticism - whether legal or in terms of public opinion/press comment, thereby ensuring that the exercise is valid and worthwhile.

Officers are aware that concerns have already been raised regarding the relationship between any referendum and the planning process. As mentioned above, it is critical that the Council distinguishes its role as Planning Authority from any decision to proceed with a referendum. It must be made absolutely explicit to voters as to the purpose of the referendum (i.e. to gauge public opinion) and that it sits entirely separate from the planning function, and would not prejudice nor influence any planning decision which would require to be taken in accordance with planning matters.

It also needs to be clear to the public that the referendum is one part in a very long process, and any result shall remain subject to the usual

planning procedures. There should be an indication that if the result of the referendum is in favour of the design, this will be taken forward to the planning stage.

Keeping the procedures separate from the planning process is vital, since the risk of challenge to our planning process may be high. This will involve being very clear of the purpose of the referendum in any instruction to the public and underlining the precise purpose and function of the referendum and what uses the Council will make of the results.

The Head of Service, Office of Chief Executive on behalf of the Council's Elections Team has advised as follows:

- In the absence of statutory rules to follow, the ballot should be conducted in line with the principles of best practice and should follow statutory procedures where practicable.
- Whether the result of the referendum is to be advisory or binding is something that should be determined in advance, made explicit and communicated to voters. . Indeed, it is something which the Committee may wish to give initial consideration to.
- The question posed is of vital importance to the conduct of the referendum and would therefore need to fit the objective of the referendum, be easy to understand and be unambiguous. It is good practice to carry out testing and it is suggested that the Plain English Campaign be consulted.
- It is recommended that the ballot paper be accompanied by a simple declaration of identity. The declaration of identity would involve the voter signing to confirm that they are the voter to whom the paper has been sent. Checking of personal identifiers would be carried out at the discretion of the Returning Officer.
- The declaration of identity should be separate from the ballot paper in order to keep the vote anonymous.
- Information to voters included in the postal packs should include the following:
 - Why the referendum is being held
 - What is being asked
 - How the result will be used
 - Details of each option being proposed

- A clear statement that the referendum is part of a long complex process and cannot and will not influence any subsequent planning process which may be necessary
- Voting information within the postal packs should be presented in a neutral style without favouring a particular voting response. However, thought should be given to including information from each side of the debate.
- It is recommended that consideration be given to supplementing the all postal vote with the option of voting via the internet. Preliminary discussions with one potential supplier indicate that in order to do this securely voters would be issued with pass codes for internet voting at the same time as their postal vote documents. (This model of paper or internet response is currently employed by the Electoral Registration Officer conducting the annual canvass.) Offering internet voting as an option would increase convenience for voters and could boost turnout.
- The full electoral register can be made available, under Regulation 106 of the 2001 amended Representation of the People Regulations, which grants councils the right to request a free copy of the full register for conducting a local referendum that is to be supervised by the Returning Officer.
- In terms of the franchise, it would be most appropriate for this to be local government electors only i.e. those electors who are legally entitled to vote in local government elections should be entitled to vote on this local issue. The current register includes 158,505 voters.
- With regard to consideration being given to extending the franchise to those below the age of 18, it can be confirmed that the electoral register only includes details for those people who will become 18 within the lifetime of the register. This means that, within the normal constraints of the accuracy of the register, it will include details of all 17 year olds but only a proportion of 16 year olds.
- A means might be identified through working with schools to “register” individuals below the age of 18 for the referendum, but it is suggested that any deviation from the local government register as it stands runs the risk of compromising the poll.
- With regard to campaigning prior to the referendum date, the established practice of the Electoral Commission is to register

campaigning organisations and set spending limits. The objective of this is to provide each side of the debate with a level playing field on which to persuade voters. This may well be difficult to set up and administer for this referendum, but would nevertheless still need to be considered.

- The logistics and costings associated with an electronic count of the votes should be obtained to determine if this would offer advantages over counting manually.

The cost of holding a referendum, using the current electoral register, is estimated at £250,000, in accordance with the following table.

Item	Breakdown	Qty	Unit Cost (£)	Total (£)
Accommodation	Beach Ballroom/Council Premises (postal opening and the count)	12	850	10,200
Postal Pack Production (158,755 packs)	Estimate prior to ITQ process			98,500
Count Staff	Count Staff			18,350
Postal Opening	Estimate			32,000
Royal Mail	Estimate			83,450
Equipment and Stationery	Basic stationery budget			2,500
Advertising (including Notices)	Basic advertising budget			5,000
Total Est. Cost				250,000

Note: The above estimate does not include the costs of providing an internet voting option.

- It is unlikely that we would obtain necessary consent to hold a second poll, for whatever purpose, on the date of the local elections and, even if this were permitted, combining the referendum with the local government elections in May 2012 would create unnecessary complications relating to the holding of the local elections. It is therefore recommended that any referendum

be held on a date different by some months from that of the May 2012 elections.

Our Planning and Sustainable Development team has pointed out that, since the City Garden Project must comply with the normal planning process, careful consideration should be given to the potential impact of any referendum, or associated debate, on this process. In particular, members will need to avoid making comments on any preferred design, which may potentially be viewed as prejudicial to the planning process.

With regard to the funding of a referendum, some initial efforts have been made, separately from the election team, to determine possible sources of non-Council funding for the referendum.

Both Scottish Enterprise and Aberdeen City Gardens Trust Ltd. (whose members include the Wood Family Trust) have been asked whether they would consider making a contribution towards the cost of a referendum.

In response to our request, Scottish Enterprise has already confirmed that they would be unable to make any contribution.

Aberdeen City Garden Trust has, informally, indicated that they are unlikely to make any contribution towards the cost of a referendum. However, we have been informed that they will discuss this at their next Board meeting and provide formal confirmation as to their position immediately thereafter (it is expected that officers will be able to confirm the Board's position at the Committee meeting).

No other, additional sources of funding have yet been identified.

Finally, with regard to the relationship between any referendum and any proposed Tax Increment Financing scheme, it should be noted that the Council's Chief Executive received a letter from Alex Neil MSP, the Scottish Government's Cabinet Secretary for Infrastructure and Capital Investment, on 1st November relating to a preliminary TIF proposal recently submitted to the Scottish Futures Trust.

This letter thanks Aberdeen City Council for submitting an outline proposal to the Scottish Futures Trust (SFT) for one of the remaining TIF pilot projects and goes on to state the following;

"As you will note, we should like to invite you to develop further your plans to use TIF for the Union Terrace Gardens project if public support for the project can be demonstrated.

I look forward to considering your fully developed case in due course.”

It is therefore clear that the Scottish Government are only willing to consider supporting a TIF for the proposed City Centre Regeneration Project (which is more than just the Union Terrace Gardens project, referred to in Mr Neil’s letter), “if public support for the project can be demonstrated”.

However, no mention is made of how public support should be demonstrated or what level of public support is required. Therefore, it appears to be up to Council to determine the best means to “demonstrate” public support.

Nevertheless, should the Committee decide that a referendum is the best way to do this, rather than some other means of gauging public opinion (such as a statistically representative opinion poll, for example), it seems likely that the Council will need to meet the whole cost of this process.

Since EP&I has not budgeted for this expenditure and is unable to identify any possible source of funding from within EP&I’s current, extremely tight, budget, the cost of any referendum would therefore need to be found from other Council sources.

5.7 Referendum Proposals

Further to the advice received from our Legal Team, our Elections Team, our Planning officers and likely funders, as set out above, it is recommended that:

- (i) The purpose of any referendum should be to gauge public support for the City Garden Project, on the basis of a preferred design proposal arrived at by means of the international design competition organised by Aberdeen City Gardens Trust Ltd.
- (ii) Since the referendum has been proposed as a mechanism for advising Councilors, it should be non-binding. However, it must be recognised that this runs the risk of compromising the credibility of the referendum exercise.
- (iii) It should be made clear that the outcome of the referendum will not prejudice any consideration of a planning application and that voting yes does not mean that the design will get planning permission.

- (iv) The ballot paper would be printed on a single sheet of paper, with the question on the front page.
- (v) Since the question will refer to “a preferred design” details of this will need to be provided but this should be on a separate piece of paper.
- (vi) The ballot paper be accompanied by a simple declaration of identity. The declaration of identity would involve the voter signing to confirm that they are the voter to whom the paper has been sent. Checking of personal identifiers would be carried out at the discretion of the Returning Officer.
- (vii) The declaration of identity should be separate from the ballot paper in order to keep the vote anonymous.
- (viii) Information to voters included in the postal packs should include the following:
 - Why the referendum is being held
 - What is being asked
 - How the result will be used
 - Details of each option being proposed
 - A clear statement that the referendum is part of a long complex process and cannot and will not influence any subsequent planning process which may be necessary
- (ix) Voting information within the postal packs should be presented in a neutral style without favouring a particular voting response. However, thought should be given to including information from each side of the debate.
- (x) Consideration be given to supplementing the all postal vote with the option of voting via the internet. Preliminary discussions with one potential supplier indicate that in order to do this securely voters would be issued with pass codes for internet voting at the same time as their postal vote documents. (This model of paper or internet response is currently employed by the Electoral Registration Officer conducting the annual canvass.) Offering internet voting as an option would increase convenience for voters and could boost turnout.
- (xi) The full electoral register can be made available, under Regulation 106 of the 2001 amended Representation of the People Regulations, which grants councils the right to request a

free copy of the full register for conducting a local referendum that is to be supervised by the Returning Officer.

- (xii) In terms of the franchise, this should only include local government electors i.e. those electors who are legally entitled to vote in local government elections should be entitled to vote on this local issue.
- (xiii) With regard to consideration being given to extending the franchise to those below the age of 18, it can be confirmed that the electoral register only includes details for those people who will become 18 within the lifetime of the register. This means that, within the normal constraints of the accuracy of the register, it will include details of all 17 year olds but only a proportion of 16 year olds.
- (xiv) A means might be identified through working with schools to “register” individuals below the age of 18 for the referendum, but it is suggested that any deviation from the local government register as it stands runs the risk of compromising the poll. Any deviation from the electoral register is therefore not recommended
- (xv) With regard to campaigning prior to the referendum date, the established practice of the Electoral Commission is to register campaigning organisations and set spending limits. The objective of this is to provide each side of the debate with a level playing field on which to persuade voters. This may well be difficult to set up and administer for this referendum, but would nevertheless still need to be considered.
- (xvi) The proposed wording for any ballot paper be placed on the Council’s website for a period of at least two weeks, so the public have a chance to comment on this, or propose alternatives. The Council would take account of these comments before determining the final question and the agreed final wording would then need to be subject to a “plain English check” prior to any referendum.
- (xvii) A suggested form of wording could be as follows:

The recent City Garden International Design Competition has provided Aberdeen City Garden Trust Ltd with a preferred design for redeveloping an area of land bounded by Rosemount Viaduct, Union Terrace, Union Street and the rear of Belmont Street, which includes Union Terrace Gardens. Details of the site and the

preferred design are included in the voter information pack issued with your ballot paper.

Please indicate whether or not you support redevelopment of Union Terrace Gardens, in accordance with the Aberdeen City Garden Trust Ltd's preferred design proposal, by ticking one of the following boxes:

YES, I support the proposed City Garden Project

NO, I want to retain the existing Union Terrace Gardens

- (xviii) Should members agree to proceed with a referendum, a further report will be presented to the Council Meeting on 14 December, summarizing the public's comments and suggestions and recommending the final wording to be used for the referendum question.
- (xix) To avoid any potential impact upon the planning process, a protocol governing member's involvement in the referendum campaign should be agreed with the Council's Planning and Sustainable Development and Legal and Democratic Services to avoid any suggestion that the result of the referendum, or comments made during the campaign, have any undue influence on the normal planning process.
- (xx) Members take into account the fact that Council has already agreed that a report should be submitted to full Council on 14th December, to decide whether the Council wishes to support the City Garden Project beyond the international design competition stage. Should Council agree to this, it is to be expected that such support will be subject to many conditions. Therefore, in the event that:
- a. EP&I Committee agree to hold a referendum
 - b. Finance and Resources Committee agree to allocate the necessary funding
 - c. Council agree to conditionally support the City Garden Project beyond the international design competition

it is recommended that one of the conditions attached to future Council support for the City Garden Project should be the need to obtain public support for the project by means of a referendum.

- (xxi) The referendum be held towards the end of February 2012 since:
 - a. The date needs to be after the Council Meeting on 14 December, so Council can approve the wording of any question, and
 - b. Holding the referendum beyond 1 March 2012 would unduly delay the City Garden Project, and would not leave enough time between the referendum and the local elections in May, thereby creating potential, additional complexities associated with running a referendum so close to the local elections. .

6. IMPACT

Corporate

The City Garden project is seen by ACGT as a critical project with regard to the future attractiveness, vitality and connectivity of the City Centre and links to both the **Single Outcome Agreement** and **Community Plan 2008**, which outlines a vision for Aberdeen City which is wealthier, greener and safer.

The project also contributes to the City's **Vibrant, Dynamic & Forward Looking: policy document**, since a fully functioning and well utilised City Gardens represents a vital piece of social, cultural and leisure infrastructure that can contribute to the delivery of the Aberdeen City and Shire Economic Future's '**Building on Energy - An Economic Manifesto for Aberdeen City and Shire**'. This in turn supports the strategic vision of Aberdeen City and Shire, which is to be recognised as one of the most robust and resilient economies in Europe with a reputation for opportunity, enterprise and inventiveness that will attract and retain world-class talent of all ages.

Public

It is anticipated that the project will have a positive impact in terms of the Equalities and Human Rights Impact Assessment, as a direct result of linkages to the Economic Development theme of **Vibrant Dynamic and Forward Looking** and it's expected impact on the future sustainable development of the Aberdeen City and Shire economy, by making a major contribution to Aberdeen's business and social infrastructure that supports local businesses and provides a venue for major social, leisure and cultural events for all Aberdeen citizens. An EHRI assessment will be carried out to confirm this view, once the

preferred design is known and the various uses of the space within the development scheme have been confirmed

7. BACKGROUND PAPERS

None

8. REPORT AUTHOR DETAILS

Gerry Brough
Project Director, Economic and Business Development
52(3197)
gbrough@aberdeencity.gov.uk

ANNEX 2

Proposed referendum/opinion poll question and supporting questionnaire, which will be used to determine that the question meets the electoral commission guidelines on referendum questions in terms of being simple, balanced, to the point and avoiding the use of words that suggest a judgement or opinion.

**TO BE CIRCULATED TO COUNCIL MEMBERS DURING THE COUNCIL
MEETING ON 14 DECEMBER**

ANNEX 3

Statement, produced by the Council as the sponsoring authority, and included in the voter pack.

**TO BE CIRCULATED TO COUNCIL MEMBERS DURING THE COUNCIL
MEETING ON 14 DECEMBER**

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DRAFT

ENTERPRISE, PLANNING AND INFRASTRUCTURE COMMITTEE

15 November, 2011

**MOTION BY COUNCILLOR KEVIN STEWART MSP – REFERENDUM ON
THE FUTURE OF UNION TERRACE GARDENS**

1. (A) In terms of Standing Order 10(2), and as agreed at the beginning of the meeting (see article 1 above), the Committee received a deputation from Mr. Shepherd of Friends of Union Terrace Gardens, in relation to the above-named report.

Mr. Shepherd expressed Friends of Union Terrace Gardens support for a referendum being held in relation to the future of Union Terrace Gardens. He also recommended that should a referendum be held, that this be conducted by an independent body and advised that a question with only a yes/no answer option was unacceptable to Friends of Union Terrace Gardens. Mr. Shepherd emphasised the importance of a referendum being independent, fair and binding. Finally, he highlighted that a number of issues still required to be resolved, most notably the land ownership issue, and suggested that the option to hold an opinion poll, instead of a referendum, would be vastly unpopular.

(B) With reference to article 9 of the minute of the meeting of the Enterprise, Planning and Infrastructure Committee of 13 September, 2011, the Committee had before it a report regarding the following motion which had been submitted by Councillor Kevin Stewart, MSP:-

“That this Council agrees, in principle, that a referendum on the future of Union Terrace Gardens be held after the City Garden Design

competition was completed, calls on officers to produce a report about the practicalities and costings of holding a postal ballot of all Aberdeen electors and asked officers to investigate sourcing funding for the referendum from bodies other than the Council.”

The report recommended:-

that the Committee –

- (a) note the content of the report;
- (b) agree to:-
 - (i) hold a public referendum in accordance with Section 5.3(i)-(xxi) of the report, to gauge public support for the City Garden Project, and
 - (ii) instruct officers to produce a further report for submission to the Finance and Resources Committee requesting that a budget of up to £250,000 be allocated, from the Council's contingencies budget, to pay for the referendum; and
- (c) instruct officers to produce a report for submission to Council at its meeting on 14 December, 2011, seeking approval for the wording of any referendum question, should the Finance and Resources Committee agree to allocate the necessary funding for the referendum.

The Committee resolved:-

- (i) to note the contents of the report, and to thank officers for the considerable work which had gone into its preparation;
- (ii) to agree to refer the report to Council on 14 December, 2011 for consideration;

- (iii) to instruct officers to report to Council on 14 December, 2011, detailing the cost and feasibility of an independently conducted, statistically significant opinion poll as an alternative way of judging the level of public support for the project. This report should include the feasibility of including young people over the age of 16 in the sample, as well as information on the feasibility of holding a separate stand alone referendum for secondary school children;
- (iv) to instruct officers to produce a report for submission to Council on 14 December, 2011, seeking approval for the wording of the question(s) to be included in any opinion poll or referendum, and that this report be the subject of consultation with Aberdeen City Gardens Trust Ltd and the Friends of Union Terrace Gardens; and
- (v) to recommend to Council that should Mr Mike Shepherd, submit a further request for deputation to Council on 14 December, 2011, regarding this matter, that Council should agree to hear the request.

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HENDERSON LOGGIE
Chartered Accountants

Aberdeen City Council

**Report to those charged with Governance
on the Audit of Aberdeen City Council**

2010/11

External Audit Report No: 2011-06

Draft Issued: 22 September 2011

Final Issued: 30 September 2011



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Restriction on Use

This report has been prepared in accordance with our responsibilities under International Standards on Auditing and Audit Scotland's *Code of Audit Practice* for the audit of Aberdeen City Council's financial statements. Our audit does not necessarily disclose every weakness and for this reason the matters referred to in this report may not be the only shortcomings which exist.

We take this opportunity to remind you that:

- this report has been prepared for the sole use of Aberdeen City Council and their Audit and Risk Committee and will be shared with the Accounts Commission and Audit Scotland
- no responsibility is assumed by us to any other person who may choose to rely on it for his or her own purposes



1. Introduction and Status of the Audit

Introduction

1. International Standard on Auditing (ISA) 260: **Communication of Audit Matters with Those Charged with Governance**, requires auditors to communicate matters relating to the audit of the financial statements to those charged with governance of a body in sufficient time to enable appropriate action to be taken prior to the issue of the audit certificate.
2. ISA 260 requires us to highlight:
 - the integrity and objectivity of the audit engagement partner and audit staff
 - the nature and scope of the audit, including any limitations, and the form of reports expected to be made
 - views about the selection of, or changes in, significant accounting policies and practices that have, or could have a material effect on the financial statements
 - the potential effect on the financial statements of any material risks and exposures that are required to be disclosed in the financial statements
 - audit adjustments that have a material effect on the financial statements
 - material uncertainties related to events and conditions that may cast significant doubt on the ability to continue as a going concern
 - any disagreements with management about matters that, individually or in aggregate, could be significant to the financial statements or our audit opinion
 - expected modifications to our audit report
 - material weaknesses in the accounting and internal control systems identified during the audit
 - matters specifically required by other auditing standards to be communicated and any other matter relevant to the audit.
 - unadjusted misstatements (other than those which are trivial)
3. We agreed with the management and Members of Aberdeen City Council (the Council) that the communications required under ISA 260 would be with the Convenor and Vice Convenor of the Audit and Risk Committee together with the Head of Finance.

Status of the Audit

4. Our work on the financial statements is now complete.
5. We attach at Appendix I our proposed unqualified auditors' report.

Next Steps

6. We are drawing these matters to the attention of the Convenor and Vice Convenor of the Audit and Risk Committee and the Head of Finance so that they can consider them before the financial statements are approved and certified.
7. We would like to take this opportunity to thank the Council's finance staff for their co-operation and assistance during our audit.

2. Matters to be Reported to Those Charged with Governance

Integrity and objectivity, nature and scope of the audit

8. Information on our audit appointment and details of the engagement partner and audit staff, and the nature and scope of the audit, were outlined in our **Risk Assessment, Annual Audit Plan and Fee Proposal for 2010/11** (Annual Plan), Report 2011-01 issued on 31 January 2011 and presented to the Audit and Risk Committee thereafter. Further information is provided in the Code of Audit Practice prepared by Audit Scotland.
9. As external auditors, we are required to communicate on a timely basis all facts and matters that may have a bearing on our independence. We provided no consultancy or non audit services to Aberdeen City Council during the year and can confirm that we have complied with the Auditing Practices Board Ethical Standard 1 – Integrity, Objectivity and Independence. In our professional judgement the audit process has been independent and our objectivity has not been compromised.

Accounting policies and practices

10. In our opinion there is one issue that require to be brought to your attention regarding the appropriateness of the Council's accounting policies and practices.
11. We have previously commented on the adequacy of the resources within the finance section to be able to maintain a robust financial system to produce accounts and other information which is both timely and accurate. While an improvement was noted in the quality of the draft accounts received for audit, there remain a number of areas where the adequacy of resources should be considered. While the balance of appropriate staff numbers and relevant skill sets is an issue for management to address, we will discuss these areas with management and comment on the issue in our Report to Members.

Material risks and exposures

12. Our **Financial Statements Audit Plan**, Report 2011-03 issued on 13 May 2011 identified a number of material risks and exposures faced by the Council that we assessed might impact on the Council's financial statements. The following paragraphs summarise these issues along with other issues we identified during the audit and how they have been resolved.

International Financial Reporting Standards

13. From 2010/11, local authority accounts must be prepared in accordance with International Financial Reporting Standards (IFRS). Authorities needed to restate the 2009/10 comparative information onto an IFRS basis, and disclose a restated 1 April 2009 IFRS-based Balance Sheet. We reviewed the opening balance sheet and 2009/10 restatement templates and reported our findings in our **Opening IFRS Balance Sheet Review**, Report 2011-02, issued on 11 May 2011.

14. From our audit of the draft accounts, we are satisfied that the comparative information has been accurately restated and that the 2010/11 financial statements have been prepared in accordance with IFRS.

Pension Costs – change from RPI to CPI

15. In response to the UK government's announcements in July 2010 of the intention to move to using the CPI as the inflation measure for determining the minimum pension increases to be applied to the statutory index-linked features of retirement benefits, the UJTF issued an abstract which gives guidance on replacing the RPI with the CPI for retirement benefits. The Council's Actuary has provided all of the disclosure requirements in respect of this, and has resulted in the Pension Scheme liability reducing materially in comparison with previous years.

2. Matters to be Reported to Those Charged with Governance

Material risks and exposures (cont'd)

- Separate Pension Funds audit**
16. Pension fund financial statements are no longer required to be included in the administering authorities' main accounts. Instead, the statutory guidance requires an authority to disclose summary information within its accounts, including reference to how the pension fund annual report can be accessed or obtained. This has been accurately disclosed in Note 23 of the financial statements.
- Severance Schemes**
17. The Council has included a provision of £1.566 million in its accounts to cover the anticipated costs associated with the voluntary redundancy/ early retirement scheme. The provision has been made for those staff who applied for the scheme and were successful, prior to 31 March 2011, but will leave the Council during the financial year 2011/12.
- Equal Pay and Single Status**
18. The Council has included a provision of £8.155 million in its accounts to cover the equal pay claims that have still to be settled across the Council. The provision is based on advice from the Council's HR officers.
- Remuneration Report**
19. The Local Authority Accounts (Scotland) Amendment Regulations 2011 require authorities to prepare a remuneration report as part of its annual accounts from 2010/11. The Council has included this report at pages 20 to 29 of the accounts, and we are satisfied that the report has been properly prepared in accordance with the Regulations.
- Trust Funds**
20. Discussions have been ongoing with the Office of the Scottish Charity Regulator (OSCR) and LASAAC regarding the staged application of the Charities (Scotland) Regulations 2006. These discussions are continuing and until they are concluded it has been recommended that the local authorities continue to make disclosures in respect of trust funds that are consistent with previous years. The Council has made the appropriate disclosure consistent with prior years at pages 147 to 148 of the accounts.
- Significant Trading Operations (STOs)**
21. The Local Government in Scotland Act 2003 requires an authority to achieve a breakeven position over a rolling 3 year period for each STO. All achieved an operating surplus in 2010/11 and have achieved a cumulative surplus on an aggregate rolling basis over the three year period from 1 April 2008, as required by the legislation. While there have been no changes to the number of STOs in 2010/11, the Council undertook a review in the year and concluded that the catering and cleaning services, which were previously classed as non-significant, were no longer classed as trading operations. This has been disclosed in Note 18 to the accounts.
- Whole of Government Accounts**
22. We expect to achieve the audit deadline of 30 September for the audit of the Whole of Government Accounts return. The return will need to be updated for the changes to the Council's financial statements before the final audited return is submitted.
- Bank Reconciliations**
23. As noted in the Annual Governance Statement, our interim testing identified that further work was required in relation to the timely and effective reconciliation of the Council bank accounts. All bank accounts were reconciled at 31 March 2011 for inclusion within the draft financial statements. Council staff have also advised that in the early part of 2011/12 the staffing situation which caused the delay in reconciliations has been addressed, enabling improved response to reconciliation tasks and queries. The action taken will also reduce the risk of undetected misappropriation of cash.

2. Matters to be Reported to Those Charged with Governance

Material risks and exposures (cont'd)

Creditors Payments

24. As noted in the Annual Governance Statement, our interim testing identified the need to remind Council staff of their roles and responsibilities in relation to the purchase and payment of suppliers. From our year-end audit testing, we have not identified any further issues which need to be reported.

Debtors Income

25. Within our Financial Statements Audit Plan, we noted that Debtors suspense files were not being reviewed on a regular basis, and at the time of our audit, over £1 million was sitting in suspense awaiting re-allocation to individual debtors accounts. This has not been cleared at the year-end, with £1.2 million still held in suspense at 31 March 2011. We are satisfied that this has not resulted in a material misstatement in the financial statements but will be followed up further in our Management Letter.

Actions from 2009/10 Year-end Management Letter

26. We have received an update of the action plan management developed to address the recommendations in our **Year-End Management Letter 2009/10**, Report 2010-06. We shall review the progress identified by management and complete our follow-up report in due course. From our audit work in 2010/11, we have noted progress has been made in a number of areas. However, we have also noted that some of the recommendations have not been fully implemented and we will address these with management as part of our follow-up review.

Housing and Council Tax Benefit

27. Due to the complex nature of Housing and Council Tax Benefit there is a high risk of errors occurring in this area. The 2009/10 subsidy audit highlighted that the Council has a number of recurring types of error and an improvement action plan has been put in place for 2010/11. While the audit work on the 2010/11 subsidy has still to be concluded, the audit work to date appears to show an improvement over 2009/10. We have estimated the likely clawback and are satisfied that the amount provided for in the 2010/11 financial statements is reasonable.

Capital Funds and Other Funds and Reserves

28. The Council has complied with the statutory regulations relating to the use of reserves.

2010/11 Code Disclosure

29. A completed CIPFA Disclosure Checklist was received at the time the draft accounts were prepared. This confirmed that the accounts met the Code disclosure requirements in all material respects.
30. There are no other issues relating to these risk areas that require to be brought to your attention. Further comments on some of these issues will be provided in our Report to Members.

2. Matters to be Reported to Those Charged with Governance

Audit adjustments

31. Definitions of material, significant and trivial in terms of the audit are detailed at Appendix III.
32. Three material, six significant and thirteen trivial audit adjustments were identified during the course of our audit and were discussed with the Finance Team. These included three trivial adjustments impacting only on the group financial statements. All of the material and significant proposed audit adjustments were agreed and the financial statements amended, with the exception of one significant adjustment. All of the trivial adjustments were also agreed and the financial statements adjusted for all but five of these. **Tables 1, 2 and 3: Audit adjustments – impact on the financial statements** below highlights a summary of the impact on the financial statements. Appendix II provides further information on each audit adjustment and its impact on the financial statements. Unadjusted misstatements are covered at paragraph 44 below.
33. The Council's Group Accounts were adjusted to include the final audited results of the Grampian Police, Fire and Rescue, and Valuation Joint Boards, AECC Limited, Mountwest 343 Limited, the Common Good and the Trust Funds. Aberdeen Sports Village Ltd's results were included based on management accounts to 31 March 2011.

Table 1: Material Audit adjustments – impact on the financial statements

Ref	Description	CIES/ MIRS		Balance Sheet	
		DR £'000	CR £'000	DR £'000	CR £'000
1	CIES PPE - Council Dwellings MIRS Capital Adjustment Account <i>being the discounting of Council Dwelling addition is line with Social Housing valuation policy</i>	27,690	27,690	27,690	27,690
2	PPE - Other Land and Buildings (Additions) PPE - Vehicle, Plant and Equipment (Additions) PPE - Other Land and Buildings (Revaluations) CIES - Revaluations RR - Revaluations MIRS - Revaluations CAA - Revaluations <i>being re-working of treatment of additions and revaluations on 3Rs Schools</i>	10,754	10,754	1,275 1,275 9,479	1,275 10,754
3	CIES - depreciation PPE - Council Dwellings Revaluation reserve MIRS CAA <i>being re-working of revaluation on Council Dwellings due to a) incorrect beacon split and b) incorrect treatment of in year depn by AIRS. This resulted in depreciation being understated for current year as well as revaluation reserve being overstated</i>	19,571	19,571	5,146 19,571	24,716
	TOTAL SINGLE ENTITY ACCOUNTS	58,015	58,015	64,435	64,435

* Adjustments also impacts on the CIES through the "surplus or deficit on revaluation of non-current assets"

2. Matters to be Reported to Those Charged with Governance

Table 2: Significant Audit adjustments – impact on the financial statements

Ref	Description	CIES/ MIRS		Balance Sheet	
		DR £'000	CR £'000	DR £'000	CR £'000
1	Revaluation Reserve Capital Adjustment Account <i>being difference between Historical Cost Depn and Revalued Cost Depn on Council Dwellings</i>			5,719	5,719
2	Revaluation Reserve Capital Adjustment Account <i>Being incorrect Land & Buildings split adjustment for Rosewell House, Aberdeen Grammar School and St Machar School.</i>			5,068	5,068
3	Creditors Debtors <i>being Scottish and Southern Electric Invoices paid in error (refund received in 2011/12, but incorrectly posted against Debtors rather than reducing Creditors balance)</i>			630	630
4	Property, Plant and Equipment (Depreciation Charge) CIES MIRS Capital Adjustment Account <i>being correction of incorrect depreciation charge on land and buildings</i>	533	533	533	533
5	PPE - Surplus Assets PPE - Other Land and Buildings <i>being transfer of Cairnfield Community Centre to Surplus Assets as it is vacant and no longer in use</i>			400	400
TOTAL SINGLE ENTITY ACCOUNTS		533	533	12,350	12,350

Table 3: Trivial audit adjustments – impact on the financial statements

Ref	Description	CIES/ MIRS		Balance Sheet	
		DR £'000	CR £'000	DR £'000	CR £'000
1	Interest Receivable and Similar Income Interest Payable and Similar Charges <i>being correction of interest receivable to show only external interest receivable (£231k)</i>	188	188		
2	Debtors Creditors <i>being negative Debtors to be transferred to Creditors (F11900 and G25900 Codes)</i>			140	140
3	PPE - Other Land and Buildings (revaluations) PPE - Other Land and Buildings (trf to surplus) PPE - Other Land and Buildings (depreciation) PPE - Surplus (trf from Land & Buildings) PPE - Surplus (depreciation) Revaluation Reserve <i>being adjustments for Mile-End School Lodge</i>			3 20 3 140	140 20 3
4	Revaluation reserve Capital Adjustment Account <i>Being revaluation reserve in financial statements being less than Revaluation Reserve per AIRS</i>			50	50
TOTAL SINGLE ENTITY ACCOUNTS		188	188	354	354

* Adjustments also impacts on the CIES through the "surplus or deficit on revaluation of non-current assets"

2. Matters to be Reported to Those Charged with Governance

Table 3: Trivial audit adjustments – impact on the financial statements (cont'd)

Ref	Description	CIES/ MIRS		Balance Sheet	
		DR £'000	CR £'000	DR £'000	CR £'000
5	CIES Creditors <i>being audit adjustment made to AECC accounts</i>	17			17
6	Share of Surplus or Deficit on the provision of services by associates and joint ventures Share of other comprehensive expenditure and income of associates and joint ventures Liabilities in associates and joint ventures <i>being group share of adjustments made to GJPB audited accounts</i>	80 24			104
7	Share of Surplus or Deficit on the provision of services by associates and joint ventures Share of other comprehensive expenditure and income of associates and joint ventures Liabilities in associates and joint ventures <i>being group share of adjustments made to GFRJB audited accounts</i>	880	845		35
TOTAL GROUP ACCOUNTS		1,001	845	0	156

34. The net effect of the agreed adjustments on the Comprehensive Income and Expenditure Statement (CIES) for 2010/11 was £51.804 million, decreasing the surplus reported in the draft accounts of £191.170 million to £139.366 million.
35. All of the adjustments to the CIES relate to book entries which are subsequently adjusted further within the Movement in Reserves Statement (MIRS). As a result, there was no impact on the General Fund balance.
36. The audit adjustments impacting on the Council's Balance Sheet decreased the Net Assets by £51.804 million to £1,109.471 million at 31 March 2011.
37. The net effect on the Group CIES was £51.960 million reducing the surplus in the draft accounts of £214.803 million to £162.843 million.

Material uncertainties

38. There are no material uncertainties relating to events and conditions that cast significant doubt on the Council's ability to continue as a going concern.

Fundamental disagreements

39. There are no areas of disagreement with management that, individually or in aggregate, have a significant impact on the financial statements and our audit report.

Modifications to the audit report

40. There are no modifications to our audit report.

2. Matters to be Reported to Those Charged with Governance

Accounting and internal controls

41. No material weaknesses in the accounting and internal control systems were identified during the audit which would adversely affect the ability to record, process, summarise and report financial and other relevant data so as to result in a material misstatement in the accounts.
42. Although we have seen some improvement, there continue to be a number of errors arising around the fixed assets/ capital accounting transactions. Two of the three material and four of the six significant adjustments have arisen from a combination of system deficiencies and a lack of resources within the finance team to deal with these. This has been commented on previously. Adequate resources should be made available to carry out a detailed review of the AIRS Asset Register system to ensure that the Council can rely on the data extracted from this system for the production of the financial statements.
43. Some opportunities to improve internal control, have been reported during the year in reports to management and the Audit and Risk Committee, including bank reconciliations which have been discussed at paragraph 23. The more significant issues will be highlighted in our Report to Members.

Other relevant matters

44. There are no other matters which we need to draw to your attention.

Uncorrected misstatements

45. There were 7 potential misstatements that have not been adjusted for, which are summarised in Table 4 below. We have concluded that individually and in aggregate these unadjusted misstatements do not have a material effect on the financial statements or on our audit opinion. If these misstatements had been adjusted in the final accounts, the net impact would have been to decrease the General Fund balance by £108,000.

2. Matters to be Reported to Those Charged with Governance

Table 4: Unadjusted errors – impact on the financial statements

Ref	Description	CIES/ MIRS		Balance Sheet	
		DR	CR	DR	CR
		£'000	£'000	£'000	£'000
1	Creditors (Revenue Support Grant) CIES <i>Being correction to prior year comparative for earmarked revenue grant monies (note correct in current year so no impact on General Fund)</i>		505	505	
2	Creditors CIES - Interest Payable and Similar Charges <i>being over accrued interest now reversed</i>		150	150	
3	CIES Debtors <i>being SITA invoice raised in error - cancelled in 2011/12</i>	130			130
4	CIES Provision for HB overpayment <i>Being adjustment for amounts utilised in HB/CTB provision, processed incorrectly</i>	130			130
5	CIES Creditors <i>being accrual for NYOP charges for 2009/10 (£20,451) and 2010/11 (£55,761) paid in 2011/12</i>	76			76
5	Cash and Cash Equivalent CIES <i>being income in bank statement not in ledger at 31 March 2011 (total for all bank accounts)</i>		67	67	
6	Debtors CIES <i>being debtors balance for invoices raised for interest on charging orders not cleared during the year end. Will be cleared in 2011/12</i>		23		23
7	Debtors CIES <i>Being late credit note issued post March 2011 to Sports Aberdeen</i>	12			12
TOTAL UNADJUSTED MISSTATEMENTS		348	745	745	348



Appendix I – Independent auditors’ Report (proposed)

Independent auditors’ report to the members of Aberdeen City Council and the Accounts Commission for Scotland

We certify that we have audited the financial statements of Aberdeen City Council and its group for the year ended 31 March 2011 under Part VII of the Local Government (Scotland) Act 1973. The financial statements comprise the group and authority-only Comprehensive Income and Expenditure Statements, Movement in Reserves Statements, Balance Sheets, and Cash-Flow Statements, the authority-only Housing Revenue Account Income and Expenditure Statement, the Movement on the Housing Revenue Account Statement, the Council Tax Income Account, and the Non-domestic Rate Account, Common Good, Trust Funds and Endowments and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union, and as interpreted and adapted by the Code of Practice on Local Authority Accounting in the United Kingdom 2010/11 (the 2010/11 Code).

This report is made solely to the parties to whom it is addressed in accordance with Part VII of the Local Government (Scotland) Act 1973 and for no other purpose. In accordance with paragraph 123 of the Code of Audit Practice approved by the Accounts Commission for Scotland, we do not undertake to have responsibilities to members or officers, in their individual capacities, or to third parties.

Respective responsibilities of the Head of Finance and auditor

As explained more fully in the Statement of Responsibilities set out on page 13, the Head of Finance is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) as required by the Code of Audit Practice approved by the Accounts Commission for Scotland. Those standards require us to comply with the Auditing Practices Board’s Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the group’s and the council’s circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Head of Finance; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Explanatory Foreword to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view in accordance with applicable law and the 2010/11 Code of the state of the affairs of the group and of the Council as at 31 March 2011 and of the income and expenditure of the group and the Council for the year then ended;



Appendix I – Independent auditors’ Report (proposed)

- have been properly prepared in accordance with IFRSs as adopted by the European Union, as interpreted and adapted by the 2010/11 Code; and
- have been prepared in accordance with the requirements of the Local Government (Scotland) Act 1973 and the Local Government in Scotland Act 2003.

Opinion on other prescribed matters

In our opinion:

- the part of the remuneration report to be audited has been properly prepared in accordance with The Local Authority Accounts (Scotland) Regulations 1985; and
- the information given in the Explanatory Foreword for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We are required to report to you if, in our opinion:

- adequate accounting records have not been kept; or
- the financial statements and the part of the Remuneration Report to be audited are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit; or
- the Annual Governance Statement does not comply with Delivering Good Governance in Local Government; or
- there has been a failure to achieve a prescribed financial objective.

We have nothing to report in respect of these matters.

Henderson Loggie
Chartered Accountants
Registered Auditors
48 Queens Road
Aberdeen
AB15 4YE

29 September 2011

Appendix II – Audit adjustments

Material Audit Adjustments

Impacting on the Single Entity Financial Statements

- 1. Council Dwelling Additions - £27.690 million**

An adjustment has been processed to discount the additions made to Council Dwellings in line with the valuation policy for Social Housing. While this reduces the value of Council Dwellings on the Balance Sheet, this is reversed through the MIRS and therefore has no impact on the General Fund balance. The Accounting Policy has also been updated to reflect this change.
- 2. Additions and Revaluations on 3Rs Schools - £10.754 million**

Our audit testing identified that the revaluations adjustment had incorrectly compared the split of buildings, externals and machinery & equipment per the valuer against only the buildings rather than the pro-rated component values in the PPP model. This adjustment has no impact on the General Fund balance.
- 3. Council Dwelling Revaluation and Depreciation - £24.716 million**

All Council Dwellings were revalued in 2010/11. However, the revaluation calculation had to be re-worked due to the split over the Beacon categories being incorrect. The current year depreciation was also incorrectly calculated due to a system error. While this adjustment increases the depreciation charge to the CIES by £19.571 million, this is reversed through the MIRS and therefore has no impact on the General Fund balance.

All the material adjustments impacting on the Council's single entity financial statements also impact on the group.

Significant Audit Adjustments

Impacting on Single Entity Financial Statements

- 1. Council Dwellings Historical Cost v Revalued Amount Depreciation - £5.719 million**

As a result of material audit adjustment no. 3 above, a further adjustment was required to the Revaluation Reserve for the difference between the depreciation charge based on the Historical Cost and that based on the Revalued Amount. This is a movement between two reserves and therefore has no impact on the General Fund balance.
- 2. Incorrect Land and Building Split - £5.068 million**

In 2009/10 we identified that entries made to the Revaluation Reserve were net figures resulting from impairment in building values and increases in land values, resulting in the Revaluation Reserve being understated by the impaired amounts. An adjustment was made to the 2009/10 audited accounts, based on a sample of properties, on the understanding that this would be fully reviewed in 2010/11. A full review was undertaken by Council staff, however, from our testing we identified three properties for which the adjustments had been incorrectly calculated. Further testing has been carried out and we are satisfied that these are isolated cases. This adjustment is a movement between reserves and therefore has no impact on the General Fund balance.
- 3. Scottish and Southern Electric Invoices - £0.630 million**

From our sample testing of Creditors payments, we identified two invoices paid to Scottish and Southern Electric in error. From further investigation it was identified that Council staff had also identified this and recovered the overpayment. However as the income was received in 2011/12, it was manually posted into 2010/11 for the financial statements. This income has been incorrectly posted against Debtors rather than reducing the Creditors balance therefore an adjustment was required to re-allocate.

Appendix II – Audit adjustments

4. Depreciation charge on Land and Buildings - £0.533 million

From our sample testing we identified that the AIRS system had incorrectly calculated the depreciation charge on Land and Buildings for the year, as it was not recognising addition made in 2008/09 or 2009/10. This was as a result of a system error which has subsequently been rectified by the software supplier. While the adjustment increases the depreciation charge to the CIES by £0.533 million, this is reversed through the MIRS and therefore has no impact on the General Fund balance.

5. Cairnfield Community Centre transfer to Surplus Assets - £0.400 million

From a review of minutes of the Finance and Resources Committee, we identified this property was declared surplus during 2010/11, therefore an adjustment was required to re-allocate this to "Surplus Assets" category within Property, Plant and Equipment on the Balance Sheet.

All the significant adjustments impacting on the Council's single entity financial statements also impact on the group.

Trivial Audit Adjustments

Impacting on Single Entity Financial Statements

1. Interest Receivable Payable - £188,000

This adjustment was required to correct the interest receivable figure within the CIES, which should represent the interest received by the Council from external bodies rather than the interest received by Services from the Loans Fund.

2. Negative Debtors - £140,000

This adjustment is a combination of four individual credit balances held within Debtors. As they represent liabilities of the Council, they should be transferred to Creditors.

3. Mile-end School Lodge - £140,000

This adjustment was required to correct an error made on the entries for revaluation and transfer to Surplus Assets.

4. Revaluation Reserve - £50,000

This adjustment was required to ensure that the financial statements reconciled to the value held within AIRS.

Impacting on Group Financial Statements

5, 6 & 7 Audit Adjustments to AECC (£17,000), GJPB (£81,000) and GFRJB (£34,000)

To ensure that the group accounts reflect the audited position for all subsidiaries and associates, the above trivial adjustments arising from the audits of the individual group entities, have been processed in the group financial statements.

All the trivial adjustments impacting on the Council's single entity financial statements also impact on the group.



Appendix III – Definition of Material, Significant and Trivial in relation to Audit Adjustments

We are required to express an opinion on whether the accounts give a true and fair view of the financial position of the Council. In arriving at that opinion we need to assess any weaknesses, misstatements and errors discovered during our audit testing. Additional information or events in the period between the balance sheet date and the date we sign our audit report must also be considered.

In order to help us to assess the impact of errors we classify them as material, significant or trivial.

Materiality is set at the start of the audit using statistical formula and following consideration of risk. The value for significant and trivial are set in relation to the materiality figure.

Material misstatement and adjustments

Material misstatements are misstatements that, in our opinion, mean that the accounts do not give a true and fair view. Material misstatements discovered during our audit are discussed with management and agreement reached over the required revision for the final audited accounts. Where no agreement is reached to make a material adjustment we would need to consider qualifying our audit opinion.

Significant misstatements and adjustments

Significant items are lower in value than material items, but still of a size that might give rise to the financial statements not giving a true and fair view, particularly if there are several of them, which in total would become material. The Council has the option of adjusting for significant misstatements or not. The impact of any significant misstatements not adjusted for in the final audited accounts would need to be considered and where the combined impact of non-adjusted items was material, this could lead to a qualified opinion. Reasons for non adjustment of significant misstatements are required to be reported to the members.

Trivial errors and adjustments

Trivial errors are those with a fairly low value, and which do not affect the true and fair view of the financial statements. These are recorded and summarised during the audit and the overall total net impact is considered. Individual trivial errors would not require adjustment. If the net total of trivial errors becomes significant or material then there will be an issue to be considered for our report unless the Council agrees to adjust the errors.



Appendix IV – Respective Responsibilities

Respective Responsibilities of Members, Officers and Auditors

Each public sector body is accountable for the way in which it has discharged its stewardship of public funds. Stewardship is a function of both executive and non-executive management and, therefore, responsibility for effective stewardship rests upon both members and officers of a public sector body.

That responsibility is discharged primarily by the establishment of sound arrangements and systems for the planning, appraisal, authorisation and control over the use of resources and by the preparation, maintenance and reporting of accurate and informative accounts.

It is our responsibility to undertake an independent appraisal of the discharge by management of its stewardship responsibilities, to enable us to give an assurance that those responsibilities have been reasonably discharged.

The Council and the Head of Finance's responsibilities for the Financial Statements are set out on page 13 of the Financial Statements. Our responsibility is to form an independent opinion, based on our audit, on the abstract of accounts and to report that opinion to you.

We are required to review whether the Council's Annual Governance Statement reflects the Council's and the group's compliance with the Code, and we report if, in our opinion, it does not. We are not required to consider whether the statement covers all risk and controls, or form an opinion on the effectiveness of the Council's and group's corporate governance procedures or its risk and control procedures.

Appendix V – Acronyms

AECC	Aberdeen Exhibition and Conference Centre
AIRS	Asset Register System (Terrarius – Assets)
CAA	Capital Adjustment Account
CIES	Comprehensive Income and Expenditure Statement
CIPFA	Chartered Institute of Public Finance and Accounting
CPI	Consumer Price Index
GFRJB	Grampian Fire and Rescue Joint Board
GJPB	Grampian Joint Police Board
HB/ CTB	Housing Benefit/ Council Tax Benefit
HR	Human Resources
IFRS	International Financial Reporting Standards
ISA	International Standard on Auditing
LASAAC	Local Authority (Scotland) Accounts Advisory Committee
MIRS	Movement in Reserves Statement
NYOP	NYOP Education (Aberdeen) Limited
OSCR	Office of the Scottish Charity Regulator
PPE	Property, Plant and Equipment
PPP	Public Private Partnership
RPI	Retail Price Index
RR	Revaluation Reserve
STO	Significant Trading Operation
UITF	Urgent Issues Task Force



HENDERSON LOGGIE
Chartered Accountants

Aberdeen City Council

**Report to Members and the
Controller of Audit**

2010/11

External Audit Report No: 2011-07

Draft Issued: 6 October 2011

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Restriction on Use

This report has been prepared in accordance with our responsibilities under International Standards on Auditing and Audit Scotland's *Code of Audit Practice* for the audit of Aberdeen City Council's financial statements. Our audit does not necessarily disclose every weakness and for this reason the matters referred to in this report may not be the only shortcomings which exist.

We take this opportunity to remind you that:

- this report has been prepared for the sole use of Aberdeen City Council and their Audit and Risk Committee and will be shared with the Accounts Commission and Audit Scotland
- no responsibility is assumed by us to any other person who may choose to rely on it for his or her own purposes



1. Executive summary

Introduction

1. We are pleased to submit our annual report, covering significant matters arising during the course of our audit of Aberdeen City Council (the Council) for the year ended 31 March 2011.

Financial statements

2. Our opinion on the financial statements is unqualified. The financial statements:
 - give a true and fair view, in accordance with applicable law and the 2010/11 Code, of the affairs of the Council as at 31 March 2011 and of the income and expenditure of the Council for the year then ended
 - have been properly prepared in accordance with International Financial Reporting standards (IFRSs) as adopted by the European Union as interpreted and adapted by the Code of Practice on Local Authority Accounting 2010/11 (2010/11 Code); and
 - have been prepared in accordance with the requirements of the Local Government (Scotland) Act 1973 and the Local Government in Scotland Act 2003.
3. We were not obliged to make any adverse comment on the Council and its group's Annual Governance Statement. This confirmed that the content of the Statement was not inconsistent with information arising from our audit work.
4. The Council submitted its draft Whole of Government (WGA) return, based on the draft accounts, to the Scottish Government and to us by the due date, 31 July 2011. The audit certification deadline for submission of the final WGA return to the Scottish Government of 30 September was also achieved.
5. There were delays in completing the bank reconciliations throughout the year. While all were fully reconciled at 31 March 2011, there were issues identified with some of the reconciling items and delays in banking within a particular service that are currently being investigated by Internal Audit.

Use of resources

6. The Council's General Fund balance at 31 March 2011 was £35.466 million, £6.121 million more than the equivalent figure at 31 March 2010. The Council reported a surplus for the year of £7.850 million compared with a budgeted surplus of £2.353 million, i.e. an underspend against budget of £5.497 million. A number of factors contribute to the movement from budget in the year and the principal reasons are summarised in the Explanatory Foreword on page 6 of the financial statements.
7. The Housing Revenue Account (HRA) balance at 31 March 2011 was £6.877 million, £1.775 million less than at 31 March 2010. The HRA budget for financial year 2010/11 was to achieve breakeven.
8. From the above balances at 31 March 2011, £24.177 million and £2.363 million have been earmarked from the General Fund and HRA respectively to provide financing for future expenditure plans. Further details are provided at Note 6 of the financial statements.
9. The Group Balance Sheet shows a net assets position of £808.880 million at 31 March 2011. All group bodies' accounts have been prepared on a going concern basis as pension liabilities will be funded as they fall due through a combination of employee and employer contributions, government grants and council tax.



1. Executive summary

10. The Council's pension liabilities at 31 March 2011, estimated by the Actuary, exceeded its share of pension scheme assets by £253.661 million (2009/10 - £299.732 million). The positive movement of £46.071 million arises from using CPI instead of RPI as the inflation measure for determining the minimum pension increases to be applied to the statutory index-linked features of retirement benefits, as announced by the UK government in July 2010.
11. As reported in our previous Reports to Members, the Council has faced significant financial pressures. In setting its budget for 2011/12, the Council approved a range of savings and cost reductions of almost £26 million in order to achieve a balanced budget.
12. Recent reporting to the Finance and Resources Committee has indicated that the Council is currently projecting an overspend of £2 million against a revised budget of £443.834 million. However, the Corporate Management Team believes that a balanced budget position can be achieved for this financial year, despite the challenges that this presents.
13. In setting its 2011/12 Budget, the Council undertook a priority based budgeting approach to developing a fully costed 5-year Business Plan for 2011/12 to 2015/16. This allowed £90 million of savings to be identified, out of the expected £120 million that is projected to be needed over the next five years.

Governance and accountability

14. The Local Code of Corporate Governance was revised during 2010/11 to incorporate the six principles recommended in the CIPFA/ SOLACE Framework.
15. The Council has undertaken a self-evaluation of its Local Code and determined that there is a strong compliance with the Code and that governance processes, procedures, performance reporting and engagement is well managed by the organisation. There are areas that can be developed and the Council is aiming to address identified weaknesses in the development of capacity and capability of members and officers, as well as ensuring that data that is available to the public is as up to date as practical.
16. During 2010/11 the Council's Internal Audit was transferred to an external provider.
17. Work to investigate the data matches uploaded to the NFI secure website in January 2011 is on-going. By 31 October 2011 three frauds with a total value of £9,736 (pounds) had been identified. Other errors have been identified resulting in overpayments of £28,484 (pounds). The Council is seeking repayment of the full £38,220.

Performance management and improvement

18. Work has continued throughout 2010/11 to further enhance the Council's performance management arrangements. The Council utilises the Covalent performance management system and all business plan scorecard actions and indicators, both at corporate and service level, are now managed through Covalent.
19. A thorough review was undertaken in 2010 of the Community Planning Services in Aberdeen City, and an Implementation Plan was developed in January 2011. As a result of the review, from June 2011, a new Community Planning Partnership was established comprising, Community Planning Aberdeen and a new Board, Community Planning Aberdeen Board. TACA has therefore ceased.
20. A report was presented to the Corporate Policy and Performance Committee in September 2011 reporting the outturn performance and analysis for the measures included within the SOA.



1. Executive summary

21. The Chief Executive presented a report to the Full Council in June 2011 updating members on the Council's progress since the publication of the Accounts Commission's follow-up report.
22. The Shared Risk Assessment: Assurance and Improvement Plan 2011-14 was reported to the Audit and Risk Committee in September 2011. Overall, the AIP acknowledges a positive direction of travel, however, has noted there are two areas of scrutiny risk or uncertainty.
23. Audit Scotland published a number of reports on national studies over the past year. A summary of these reports, together with the Council actions to date, is included at Appendix I.

Outlook

24. Along with all other public bodies in Scotland, Aberdeen City Council is facing up to the prospect of having to make significant budget savings. At the same time as the Council aims to support the local economy and provide best value services, it is likely to face a severe reduction in resources. The Council needs to continually update its five year Business Plan to take account of the Scottish Government's key priorities and maximise available funding to maintain delivery of key services for the area.
25. The newly established Community Planning Aberdeen and the work carried out as part of the development of the five year Business Plan should help the Council and its planning partners in achieving a greater focus on "place" to drive partnership, collaboration and local delivery as envisaged in "Renewing Scotland: The Government's Programme for Scotland 2011-2012 and the Government Economic Strategy".

Acknowledgements

26. This is the final year of our appointment as external auditors. Our audit has brought us in contact with a wide range of Council officers and members. We would like to take this opportunity to place on record our appreciation of the co-operation and assistance extended to us by officers and members in the discharge of our duties.
27. We will liaise with the Council's incoming auditors to achieve a coordinated handover of the audit and to ensure that the new auditors are fully briefed on all relevant matters.



2. Introduction

Introduction

28. We are pleased to submit our annual report, covering significant matters arising during the course of our audit of the Council for the year ended 31 March 2011.
29. The framework under which we operate, under appointment by Audit Scotland, and our audit approach are as outlined in our **Risk Assessment, Annual Plan and Fee Proposal for 2010/11** (Annual Plan), Report 2011-01 issued on 31 January 2011. The respective responsibilities of members, officers and auditors are set out in an Appendix to our **Report to those charged with Governance on the audit of Aberdeen City Council 2010/11** (ISA 260 Report), Report 2011-06 issued on 30 September 2011.
30. Broadly the scope of our audit was to:
- provide an opinion on the financial statements in accordance with relevant legal and regulatory requirements and international standards on Auditing (UK and Ireland) as required by the Code of Audit Practice approved by the Accounts Commission (the Code)
 - review and report on the Council and its group's corporate governance arrangements in relation to systems of internal control, the prevention and detection of fraud and irregularity, standards of conduct, prevention and detection of corruption, and the Council's financial position
 - review and report on the Council's arrangements for securing Best Value; manage its performance in relation to economy, efficiency and effectiveness in the use of resources
 - review and report on the Council's arrangements for preparing and publishing statutory performance information
31. Our audit approach focused on the identification of strategic business risks and operational and financial risks impacting on the Council.

Audit activity and reporting

32. As part of our overall planning approach to the Council's annual audit we carried out a review of the key risks, national and local, facing the Council and reported how we would continue to monitor them during the year through attendance and review of Council and Community Partnership meetings and minutes and discussions with officers. The main risks were reported in our Annual Plan and where appropriate we have included an update on these risks in this report. To a certain extent the content of this report comprises general information that has been provided by, or is based on discussions with, management and staff at the Council. Except to the extent necessary for the purposes of the audit this information has not been independently verified.
33. In accordance with our Annual Plan we reviewed the Council's key internal controls and have raised some issues during the course of the audit including matters highlighted in our **Financial Statements Audit Plan** (FSAP), Report 2010-03 issued on 13 May 2011 and our **ISA 260 Report**. We also plan to issue a separate detailed Management Letter covering specific issues relating to the financial statements.
34. We take this opportunity to remind you that external auditors do not act as a substitute for the Council's own responsibility for putting in place proper arrangements to ensure that public business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for and used efficiently, economically and effectively.



3. Financial statements

Audit opinion

35. We are pleased to report that the target date of 30 September 2011 for the audit completion and certification of the annual accounts was met. Our opinion on the financial statements of the Council for the year ended 31 March 2011 is unqualified.
36. In accordance with International Standard on Auditing (ISA) 260 we issued our ISA 260 Report, which was discussed with the Corporate Accounting Manager and the Convener and Vice Convener of the Audit and Risk Committee on 22 September 2011. This report included our proposed audit certificate and detailed the agreed adjustments to the draft accounts arising from our audit, together with comments on the Council's accounting practices and accounting and internal controls. The report also summarises our findings in relation to the material risks and exposures previously identified in our Annual Plan and our FSAP.
37. We set out below a summary of the audit certification issues:
- the financial statements give a true and fair view, in accordance with applicable law and the 2010/11 Code of Practice on Local Authority Accounting of the state of the affairs of the group and of the Council as at 31 March 2011 and of its income and expenditure of the group and the Council for the year then ended
 - the financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union, as interpreted and adapted by the 2010/11 Code
 - the financial statements have been properly prepared in accordance with the Local Government (Scotland) Act 1973 and the Local Government Scotland Act 2003
 - the part of the remuneration report to be audited has been properly prepared in accordance with The Local Authority Accounts (Scotland) Regulations 1985
 - the information given in the Explanatory Foreword for the financial year for which the financial statements are prepared is consistent with the financial statements
38. We are also required to report if, in our opinion:
- adequate accounting records have not been kept
 - the financial statements are not in agreement with the accounting records
 - we have not received all the information and explanation we require for our audit
 - the Annual Governance Statement complies with Delivering Good Governance in Local Government; or
 - there has been a failure to achieve a prescribed financial objective

We have nothing to report on these matters.

39. A number of issues have been raised in our ISA 260 Report which requires to be addressed by management. A debrief meeting will be held with the finance team in November 2011 to discuss these issues in detail, which will then allow an Action Plan to be developed to ensure that the issues are addressed prior to the preparation of the 2011/12 financial statements. The agreed Action Plan (which will form part of our Year-end Management Letter) will be presented to the Audit and Risk Committee in due course.

3. Financial statements

40. We have previously commented on the adequacy of the resources within the finance section to be able to maintain a robust financial system to produce accounts and other information which is both timely and accurate. While an improvement was noted in the quality of the draft accounts received for audit, there remain a number of areas where the adequacy of resources should be considered. We recommended that a review should be carried out of the current level of resources and skills mix, particularly within the corporate finance team to ensure that they are adequate for the Council's needs. This will be discussed further at our debrief meeting.

Material risks and exposures

41. Our FSAP identified a number of material risks and exposures faced by the Council that we assessed might impact on the Council's financial statements. Our ISA 260 Report provided a summary of the issues along with information on how they had been resolved. The following paragraphs provide a further update.

Whole of Government Accounts (WGA)

42. The main legislative authority for WGA is contained in the Government Resources and Accounts Act 2000. Under the Act, HM Treasury is responsible for preparing WGA statements at a UK level. Although the Act is not applicable in Scotland, the Scottish Government has agreed to provide the Treasury with equivalent information. Scottish local authorities are therefore required to submit their WGA information in an Excel workbook to the Scottish Government.
43. The UK Government's aim, in respect of WGA, is to develop a fully audited set of accounts covering virtually all of the UK public sector. WGA treats Government as if it were a single, consolidated entity by eliminating all significant transactions and amounts owed between public sector bodies and harmonising accounting policies. WGA is intended to present a true and fair view of Government activities.
44. The deadline of 29 July 2011 for the submission of the consolidation packs to auditors was met, as was the audit deadline of 30 September 2011.

International Financial Reporting Standards (IFRS)

45. From 2010/11, local authority accounts must be prepared in accordance with International Financial Reporting Standards (IFRS). Authorities needed to restate the 2009/10 comparative information onto an IFRS basis, and disclose a restated 1 April 2009 IFRS-based Balance Sheet. We reviewed the opening balance sheet and 2009/10 restatement templates and reported our findings in our **Opening IFRS Balance Sheet Review**, Report 2011-02, issued on 11 May 2011.
46. There were a number of actions arising from our review and additional resources were brought in to allow these to be completed for inclusion within the draft accounts. From our audit of the draft accounts, we are satisfied the 2010/11 financial statements have been prepared in accordance with IFRS and that the comparative information has been accurately restated.

Review of significant trading operations (STOs)

47. In accordance with the requirements of the Local Government in Scotland Act 2003 (the Act) the Council assessed its trading activities and determined that it had six Statutory Trading Operations (STOs). A review was undertaken in the year and concluded that the catering and cleaning services, which were previously classed as non-significant, were no longer classed as trading operations.

3. Financial statements

Bank Reconciliations

48. As noted in the Annual Governance Statement, our interim testing identified that further work was required in relation to the timely and effective reconciliation of the Council bank accounts. All bank accounts were reconciled at 31 March 2011 for inclusion within the draft financial statements. However, audit work at the year-end identified that there were issues with some of the reconciling items. This resulted in an unadjusted trivial error arising from income in the bank statement not posted to the ledger, and delays in banking which are currently being investigated by Internal Audit (see comments at paragraph 119).

Group accounts

49. The Code requires authorities to prepare a full set of group accounts in addition to its single-entity accounts where there is an interest in other entities (excluding the Pension Fund). The Council has prepared group accounts in accordance with these requirements and the notes to the Group Accounts details its interest in other entities and the basis of consolidating the results within the Council's group accounts.

Trust Funds

50. Discussions have been on-going for some time between the Office of the Scottish Charity Regulator (OSCR) and LASAAC regarding the staged application of the Charities (Scotland) Regulations 2006. OSCR wrote to all Councils earlier in 2011 regarding their reporting requirements for local authority charities from 2010/11. The letter stated that an independent examination report would continue to be accepted until 2012/13, and that an audit report would not be required until 2013/14. OCSR has subsequently noted that where a charity's gross income exceeds £500,000 or gross assets exceed £2.8 million, an audit report is required for 2010/11.
51. Although the trust funds administered by the Council fall below this threshold, it is still recommended that local authorities continue to make disclosures in respect of trust funds that are consistent with previous years. The disclosure requirement in last year's SORP, in respect of trust funds, is not included in the Code. However, failure by local authorities to disclose details of the nature and amount of trust funds in their accounts would necessitate the preparation and audit of separate accounts for charities in order to satisfy the requirements of section 106 of the Local Government (Scotland) Act 1973. In 2010/11 the Council has made the appropriate disclosure consistent with prior years.
52. During 2011 OSCR wrote to LASAAC providing feedback on the 2009/10 submissions to OSCR for all Local Authorities. The feedback assessed submissions, which look at more than just the accounts information, against four categories; fully compliant (no councils achieved this grade), above average (10 councils), average (12 councils) and below average (8 councils). As in 2008/09, the Aberdeen City submissions fell within the "below average" band. The letter identifies that OSCR expect clear progress to be demonstrated by authorities. The 2010/11 information is due for submission by 31 December 2011. (Refer to R3 from 2009/10 Action Plan in Section 7)

Pension Fund

53. Local authorities responsible for administering a pension fund forming part of the local government pension scheme are required by a recent amendment to the *The Local Government Pension Scheme (Administration) (Scotland) Regulations 2008* to publish a pension fund annual report from 2010/11.

3. Financial statements

54. Until 2009/10, pension fund financial statements were included in the administering authorities' accounts and were therefore covered by the audit opinion on those accounts. From 2010/11, pension fund financial statements are no longer included in the authorities' accounts, and we are required to give a separate audit opinion on the financial statements in the pension fund annual report by 30 November 2011. We will therefore submit a separate Annual Report by 30 November 2011 covering our audit of the pension funds administered by Aberdeen City Council.

Legality

55. Throughout our planned audit work we consider the legality of the Council's financial transactions. In addition the Head of Finance confirmed that, to the best of his knowledge and belief, and having made appropriate enquiries of the Council's management team, the financial transactions of the Council were in accordance with relevant legislation and regulation. There are no additional legality issues arising from our audit which require to be brought to members' attention.

Financial reporting outlook

56. A number of changes in financial reporting are expected to apply from 2011/12 and beyond
- FRS 30, Heritage Assets has been issued that was not been adopted by the Council in 2010/11, but will be required in 2011/12.
 - Charity accounts. Pending conclusion of discussions with OSCR, the Council will need to continue to make a choice between making the appropriate trust fund disclosures in the 2011/12 accounts and making arrangements for the separate audit of these funds.
 - For the Whole of Government Accounts return, authorities are required to provide highways infrastructure data to capture progress being made on revaluing those assets on a depreciated replacement cost basis. While this was not subject to audit in 2010/11, it will require to be audited in 2011/12.

4. Use of resources

Financial Position

57. As reported in the Comprehensive Income and Expenditure Statement for 2010/11 the Council reported a deficit on the provision of services of £56.438 million (2009/10: £25.680 million) and a total comprehensive income and expenditure surplus of £139.366 million (2009/10: deficit of £79.770 million). After making the necessary adjustments through the Movement in Reserves Statement (MIRS) for items required by statute to be charged to the General Fund, the Council has reported a General Fund increase of £6.121 million for the year to £35.466 million at 31 March 2011.
58. For statutory accounting purposes the Housing Revenue Account (HRA) balance requires to be included as a ring-fenced amount within the General Fund balance, albeit that for internal and budget purposes the Council treats the HRA and the General Fund separately. The HRA Income and Expenditure Statement reported a deficit for the year of £108.003 million (2009/10: surplus of £7.174 million). The final outturn for 2010/11, after the necessary adjustments to the HRA movements was a decrease of £1.775 million on the HRA balance for the year to £6.877 million at 31 March 2011.
59. From the above balances at 31 March 2011, £24.177 million and £2.363 million have been earmarked from the General Fund and HRA respectively to provide financing for future expenditure plans. Further details are provided at Note 6 of the financial statements.

Financial performance

60. Financial performance for 2010/11 is measured against the financial budget set by the Council in February 2010 (and subsequent approved amendments). In this regard the Council reported a surplus for the year of £7.850 million compared with a budgeted surplus of £2.353 million, i.e. an under-spend against budget of £5.497 million. This differs from the £6.121 million increase in the General Fund reported above due to the following:
- Expenditure amounting to £2.420 million was incurred that was either not budgeted in 2010/11 in connection with a decision to make savings in 2011/12 or was in relation to workforce reduction costs that had been earmarked at the start of the year
 - Reclassification of grant income as a result of IFRS resulted in £0.690 million being recognised in the year, increasing the General Fund balance, the full value of which is earmarked for use on specific projects.
61. When the budget for 2010/11 was approved, it was anticipated that there would be a £3.571 million contribution to reserves and balances during the year. The base budget spend of £445.706 million, set on 11 February 2010, was increased as a result of adjustments to Revenue Support Grant, commitments brought forward from 2009/10 and other expenditure approved by the Council during the year. As a result of these adjustments the base budget increased to £448.216 million, with an anticipated contribution to reserves and balances of £2.353 million.
62. A number of factors contribute to the movement from budget in the year and the principal reasons are summarised in the Explanatory Foreword on page 6 of the financial statements. The main savings have arisen from the management of staff and vacancies across all services produced an overall saving of £7.2 million.

STOs

63. All six STOs have met their three-year break-even target and made a surplus in 2010/11. The results of the STOs are disclosed in the Council's Comprehensive Income and Expenditure Statement and associated notes.

4. Use of resources

Group balances and going concern

64. The Group's Comprehensive Income and Expenditure Statement for 2010/11 reported a group deficit of £43.340 million (2009/10: deficit of £44.048 million) and a total comprehensive income and expenditure surplus of £162.843 million (2009/10: deficit of £203.264 million).
65. The Group Balance Sheet reports a net assets position of £808.880 million (2009/10: £646.037 million) compared with the Council's single entity Balance Sheet net asset position of £1,109.471 million (2009/10: £970.105 million). The material difference of £300.591 million (2009/10: £324,068 million), is represented mainly by the Share of the Net Liabilities of Associates including the Council's share of the pension liabilities of the Joint Boards. These have been accounted for under IAS 19 'Employee Benefits' in accordance with the Code.
66. All group bodies' accounts have been prepared on a going concern basis as pension liabilities will be funded as they fall due through a combination of employee and employer contributions, government grants and council tax.

Capital expenditure

67. Gross capital expenditure on the Council's long term assets for 2010/11 amounted to £138.818 million of which £42.847 million was spent on Council Dwellings and £27.927 million covering the 3Rs project costs. Further details of the split of capital expenditure, together with an analysis of how the expenditure was financed, are included in Notes 28 to 31 within the financial statements.
68. The General Fund capital budget (excluding the 3Rs project costs) set by Council was £96.7 million but only funded to £69.1 million. A further £11.7 million was subsequently approved by Committee or rolled forward from 2009/10, increasing the budget to £108.4 million. Slippage of £39.3 million was therefore required. The Corporate Asset Group worked with Services to ascertain a minimum budget requirement, which was forecast at £63.6 million, thus bringing the programme to within the capital funding constraints. Actual expenditure was in line with the forecast and funding was secured from a variety of sources, principally through borrowing from the Council's Loans Fund.
69. The Housing capital budget set by Council was £63 million, with funding in place for spend of £54.8 million. The level of slippage required was similar to previous years and allows for contract variations, projects starting later than anticipated and projects being amended. The actual expenditure was £53 million and was principally funded by a revenue contribution from the HRA of £22 million and borrowing from the Council's Loans Fund of £24.4 million.
70. The 2011/12 General Fund capital budget is currently £41.474 million after taking into account additional capital funding. Recent reporting to the Finance and Resources Committee noted that there are currently no overspend predictions in the overall capital programme. The Corporate Asset Group has begun consultation with Services on the development of the capital plan for 2012/13. As part of this on-going work, the Group will consider how a number of significant projects can be delivered at a time of financial constraint.

4. Use of resources

Efficient Government

71. All public sector bodies in Scotland are involved with the Scottish Government's Efficient Government initiative. The initiative is designed to achieve cash and time releasing savings over a three-year period through elimination of waste, bureaucracy and duplication.
72. For 2008/09 to 2010/11, no specific targets have been set for individual authorities, but the Scottish Government identified a target for efficiency savings of 2% across the public sector. The Council recognises that it must strive for and achieve continuous improvement to its services, measurable year on year. To be meaningful, these improvements need to generate clear savings or improvements to efficiency and productivity each year. Table 1 below sets out the efficiency gains made in 2010/11, shows total cash releasing savings of £18.223 million, which equates to 4.07%.
73. The efficiency gains have been achieved across all of the Council's activities: from delivering a better service to citizens with less resources (a cash releasing efficiency) or delivering an improved level of service without increasing the cost of providing these services (a time releasing efficiency). A culture of accountability, performance management and service improvement is being embedded in the Council and a range of approaches are used to deliver efficiency gains. These include the adoption of new technology, developing staff and the organisation's capabilities, closer working together with partners and rigorously challenging how it works.

Table 1- 2010/11 Efficiency Gains

Theme	Cash Releasing £'000	Time Releasing £'000	Recurring £'000
Procurement	1,844	-	1,824
Workforce Planning	13,017	-	9,594
Asset Management	788	-	765
Shared Services	300	-	300
Streamlining Bureaucracy	979	-	967
Other	1,295	-	1,277
Total	18,223	-	14,727

74. The Council's 5 year business plan and the priority based budgeting approach to the 2011/12 budget and beyond, identified a range of efficiency measures, including:
- In Social Care and Wellbeing, the Council expects to achieve savings through a combination of more effective assessment and management of client needs such that they can be met by a lower cost of service, and options that seek to reduce the unit cost of services through measures such as improved commissioning arrangements.
 - Within Education, Culture and Sport, there are proposals for a Secondary City Campus, bringing together educational establishments in order to provide a City of learning approach to secondary school aged children.
 - Efficiencies through improved commissioning arrangements are a major theme throughout the Council for 2011/12 as are continued savings on contracts through the procurement process.
 - The Council has spent three years transforming Marischal College which has allowed for phased relocation of 1,323 staff during 2011/12. It has also allowed for the provision of a single customer contact centre, enabling the shared use of resources across services.

4. Use of resources

Reserves and balances

75. All councils hold reserves which consist of earmarked amounts set aside to support future years' expenditure and contingencies for unexpected events or emergencies. At 31 March 2011 the Usable Reserves held by the Council totalled £56.211 million (at 31 March 2010 - £44.858 million). Table 2 details the balances and movements on these reserves.

Table 2 – Usable Reserves and Commitments

	2011	2010	Movement
	£m	£m	£m
Usable Reserves			
General Fund	35.466	29.345	6.121
Housing Revenue Account	<u>6.877</u>	<u>8.652</u>	<u>(1.775)</u>
General Fund balance	42.343	37.997	4.346
Capital Fund	11.927	5.121	6.806
Insurance Fund	1.429	1.120	0.309
City Improvement Fund	0.255	0.338	(0.083)
Lord Byron Fund	<u>0.005</u>	<u>0.005</u>	<u>0.00</u>
Statutory and Other Reserves	13.616	6.584	7.032
Capital Grants Unapplied Account	<u>0.252</u>	<u>0.277</u>	<u>(0.025)</u>
At 31 March	56.211	44.858	11.353
	=====	=====	=====
Committed within total General Fund Balance			
General Fund	24.177	18.417	5.760
HRA	<u>2.363</u>	<u>3.126</u>	<u>(0.763)</u>
	<u>26.540</u>	<u>21.543</u>	<u>4.997</u>
Uncommitted			
General	11.289	10.928	0.361
HRA	<u>4.514</u>	<u>5.526</u>	<u>(1.012)</u>
	<u>15.803</u>	<u>16.454</u>	<u>(0.651)</u>
Total	42.343	37.997	4.346
	=====	=====	=====

76. Further details of the commitments are provided in Note 6 to the financial statements.
77. The uncommitted General Fund reserve balance excluding HRA, of £11.289 million represents 2.5% of the net revenue budget for 2011/12 and is within the Council's approved limits. This maintains uncommitted reserves at a similar level to those held at the end of 2009/10.

Treasury management

78. The Local Government Investments (Scotland) Regulations 2010 were approved by the Scottish Parliament on 10 March 2010 and came into force on 1 April 2010. The Regulations permit local authorities and boards to make investments subject to them obtaining the consent of Scottish Ministers. Finance Circular 5/2010, issued by the Scottish Government on 1 April 2010, provides the general consent of Scottish Ministers and sets out the requirements attached to the consent.
79. The consent requires authorities to invest in a way that minimises the risk to the capital sum and optimises the return on the investment consistent with those risks.
80. Authorities are required to prepare an Annual Investment Strategy (the Strategy) before the start of the financial year and an Annual Investment Report (the Report) within six months of the financial year end. The consent specifies minimum requirements for these two documents. There should also be a mid-year review.

4. Use of resources

81. The Council's Investment Strategy for 2010/11 to 2012/13 was approved in June 2010. A mid-year review was reported to both the Finance and Resources Committee and Full Council in December 2010 and the year-end review was reported in June 2011.

Pensions

82. Accounting for the costs of pensions presents a difficult challenge for councils. The amounts involved are large, the timescales long, and the estimation process is complex involving many areas of uncertainty that are the subject of assumptions. IAS 19 (Employee Benefits) is based on the principle that an organisation should account for retirement benefits at the point at which it commits to paying them, even if the actual payment will be made years into the future.
83. The Council participates in two pension schemes on behalf of its employees: the Scottish Teachers' Superannuation Scheme (Teachers) administered by the Scottish Government and the Local Government Pension Scheme (LGPS) for which Aberdeen City is the administering authority. Both schemes provide members with defined benefits related to pay and service.

IAS 19 Pension costs

84. The Council disclosed the IAS 19 requirements for the LGPS. The Teachers' scheme is unfunded and the Scottish Government use a notional fund as the basis for calculating the employers' contribution rate paid by local authorities. The Council is not able to identify its share of the underlying financial position and performance of the Scheme with sufficient reliability for accounting purposes. Therefore, for the purposes of the financial statements, it is accounted for on the same basis as a defined contribution scheme.
85. The Council's pension liabilities at 31 March 2011, estimated by the Actuary, exceeded its share of pension scheme assets by £253.661 million (2009/10: £299.732 million). The net pension liability in the Balance Sheet has decreased by £46.071 million (39%) during 2010/11. One of the main components of the decrease is the move to using CPI instead of RPI as the inflation measure for determining the minimum pension increases to be applied to the statutory index-linked features of retirement benefits, as announced by the UK government in July 2010.

Financial planning

86. In 2011/12, the Council again froze Council Tax in accordance with the concordat with the Scottish Government. These arrangements have been confirmed as continuing for the next three years.
87. The key risk for the Council for future years will be to manage within the available budget. A base budget of £456 million for 2011/12 was approved on 10 February 2011, which incorporated budget savings of almost £26 million.
88. In setting its 2011/12 Budget, the Council undertook a priority based budgeting approach to developing a fully costed 5-year Business Plan for 2011/12 to 2015/16. This allowed £90 million of savings to be identified, out of the expected £120 million that is projected to be needed over the next five years. Preparation of the Business Plan started in 2010 and included a systematic appraisal and evaluation of options against the Council's key strategic priorities. The proposals were also founded on extensive engagement with the community and other key stakeholders. The Business Plan was approved by Members in August 2011 and reports will be presented to the Corporate Policy and Performance Committee on a six-monthly basis on the progress with the delivery of the plan. The Council's priority based budgeting approach recently featured as an example of good practice in Audit Scotland's "Scotland's public finances: Addressing the challenges", published in August 2011, which highlighted that few other public bodies have so far undertaken a structured approach to budget setting in this way.

4. Use of resources

89. Recent reporting to the Finance and Resources Committee has indicated that the Council is currently projecting an overspend of £2 million against a revised budget of £443.834 million. However, the Corporate Management Team believes that a balanced budget position can be achieved for this financial year, despite the challenges that this presents.
90. A further report was also presented to the Finance and Resources Committee on 29 September 2011, which reported that significant progress has been made in delivering the approved Priority Based Budgeting options for 2011/12 and work is now underway to update the five-year business plan and specifically the 2012/13 budget.

People management

91. The Council's Corporate Workforce Strategy, Peoplefirst, informed the development of the five year Business Plan 2011/12 to 2015/16, which in turn informed the Service Plans. Employees were consulted in the development of this plan.
92. The Business Plan highlights that successful delivery of the service options outlined in the plan is dependent on the quality and commitment of the Council's employees. The challenge over the next five years will be to continue to deliver high quality services with a smaller core workforce, a restricted budget and increasing customer expectations. The plan notes that this will depend on how well the Council engages with its employees and will require a greater emphasis on and understanding of employee engagement.
93. The level of current employee satisfaction was measured through the 2010 Employee Opinion Survey. An action plan has been put in place to build on the positive outcomes of the survey and at the same time bring about improvements in areas such as performance and appraisal, communication and job satisfaction.
94. An Employee Code of Conduct was implemented in February 2011. The Code was developed building on the "Seven Principles of Public Life" as defined by the Nolan Committee in 1995 and published by local government in 1997.

Asset management

95. An annual update to the Council's Property Asset Management Plan (PAMP) was approved by the Finance and Resources Committee in September 2011. This identified key areas of progress since 2010 along with highlighted areas for development. The objectives and priorities remain as stated in the original 2009 PAMP with some amendments, in particular to include the need for all property reviews to consider the implications of the Priority Based Budget exercise.
96. During 2010/11, asset management has become more embedded within the Council's corporate structure with the recognition of the importance of the Corporate Asset Group, and the importance of this Group in the management of the Capital Programme. Furthermore, the Group has been instrumental in supporting all Services to develop Service Asset Management Plans, which allows Services to understand how properties assist in the delivery of their services. Service Plans have been approved by the relevant Service Committee and are being used in asset management decision making processes.
97. The most significant challenge faced by the Council is financial, with a reduction in the General Services Capital Programme and the continued revenue pressures making effective asset management challenging.

4. Use of resources

98. Key achievements in 2010/11 include the completion of the 3Rs project and the opening of Marischal College. With the relocation of staff to Marischal College, the Finance and Resources committee approved a number of recommendations to review all corporate office accommodation.
99. In October 2011 the Council decided to demolish St Nicholas House prior to marketing the site. Although this option may not have proved to be the best option in cash terms other issues such as the amenity of the area were taken account of in arriving at what Members considered to be the Best Value option for the site.
100. The Council is continuing to implement a Corporate Asset Management System (CAMS) to replace stand alone systems such as Bridgeman for Bridges and Structures and HiLight for Street lighting. A key priority for 2011/12 is to expand accessibility of CAMS to all Services and specific Elected Members.

Procurement

101. A follow-up review was carried out to assess how well the Council is doing to ensure that it can demonstrate value for money when purchasing goods and services. This was in response to Audit Scotland's national report *Improving public sector purchasing*, which was published in July 2009.
102. Our findings were reported in **Improving Public Sector Purchasing Follow-up Report**, Report 2011-04, published on 12 August 2011. Our overall conclusion noted that the Council can demonstrate:
- commitment to achieving improvements in purchasing practice – the score of 51% in the 2010 Procurement Capability Assessment (PCA) places the Council in the top quartile of Scottish local authorities
 - a clear system of delegation and authority for purchasing
 - a high-quality purchasing strategy.
103. The Council is making good progress in implementing its procurement programme and the actions arising from the PCA. However, improvements in reporting to senior management and elected members would enhance existing governance arrangements.

Outlook

104. Along with all other public bodies in Scotland, Aberdeen City Council is facing up to the prospect of having to make significant budget savings. At the same time as the Council aims to support the local economy and provide best value services, it is likely to face a severe reduction in resources. The Council needs to continually update its five year Business Plan to take account of the Scottish Government's key priorities and maximise available funding to maintain delivery of key services for the area.
105. The key priorities for the Council for 2011/12 and beyond are:
- Financial Planning – achieving a balanced budget position for 2011/12 and meeting the budget savings target
 - People Management - to continue to engage with employees to help deliver high quality services with a smaller core workforce, a restricted budget and increasing customer expectations
 - Asset Management – effectively manage the capital programme within continued financial restraints and expanding accessibility of CAMS



4. Use of resources

106. All but one of the STOs are projecting to achieve a position of at least break-even for the year 2011/12, before IAS19 pension adjustments which are unknown at this time. The only exception is Ground Services, for which the current projected outturn is a deficit of £385,000, due to the provision for the payment of a rebate to the client services. This needs to be closely monitored to ensure that the statutory breakeven targets are met.
107. As part of the Council's current review of internal recharging, it is proposing that, with the exception of Car Parking and Property Letting, the remaining STOs will be de-classified as Trading Services and as such will be integrated with their corresponding General Fund services.
108. As part of the Council's current review of internal recharging, it is proposing that, with the exception of Car Parking and Property Letting, the remaining STOs will be de-classified as Trading Services and as such will be integrated with their corresponding General Fund services.

5. Governance and accountability

Annual governance statement

109. As reported in our 2009/10 Annual Report, the Council has published a single Annual Governance Statement based on the CIPFA/ SOLACE Framework. The statement adopts the main elements of good practice and clearly describes the key elements of the governance framework in place, including the Local Code of Corporate Governance. The key points are noted below.
110. Although we are not required to audit compliance with the Council's Code we reviewed the statement and the Council's processes to inform our view of the governance arrangements in place. We are satisfied that the Council has identified the key areas where work is still required to ensure full compliance with the Code.

Corporate governance and internal control arrangements

111. The Local Code of Corporate Governance was revised during 2010/11 to incorporate the six principles recommended in the CIPFA/ SOLACE Framework. Against each principle is a set of key documents, policies, arrangements and areas of activity within the Council that address the theme, and are summarised in the Annual Governance Statement, on page 15 of the financial statements. The main key documents, policies and arrangements in place to note are:
- Overall policy statement, *Vibrant, Dynamic and Forward Looking*, supported by the Single Outcome Agreement and Five-year Business Plan.
 - Standing Orders, Committee orders of Reference and Scheme of Delegation
 - Councillors Code of Conduct
 - The scrutiny of the Council emanates from the Audit and Risk Committee, which has a convener and vice-convener from the opposition groups to enhance the independence and scrutiny function
 - The Audit and Risk Committee also receives reports on risk management
112. The Council has undertaken a self-evaluation of its Local Code and determined that there is a strong compliance with the Code and that governance processes, procedures, performance reporting and engagement is well managed by the organisation. The Council has a clear approach to the decision-making process and seeks to engage with those in the community and with partners and staff. There are areas that can be developed and the Council is aiming to address identified weaknesses in the development of capacity and capability of members and officers, as well as ensuring that data that is available to the public is as up to date as practical.
113. The Council has identified five actions which need to be addressed, and these are detailed within the Annual Governance Statement on page 20 of the financial statements, along with actions that will be taken going forward.

Reliance on Internal Audit

114. To minimise audit duplication we liaise with Internal Audit during our planning to identify areas of their work that we can place reliance on. For 2010/11 we agreed to place reliance on work covering a number of areas.
115. During 2010/11 the Council's Internal Audit was transferred to an external provider, with PwC starting their contract in October 2010. A full year's programme of internal audit was carried out in the six month period to 31 March 2011.

5. Governance and accountability

116. Following review of the files relating to each of the reports we concluded that we could place reliance on the work and findings of Internal Audit.

Prevention and detection of fraud

117. As external auditors we are required to consider the arrangements made by management for the prevention and detection of fraud and irregularities.
118. At a corporate level, the Council has appropriate arrangements in place to help prevent and detect fraud and irregularity. These arrangements include, for example, an anti-fraud and corruption strategy, a whistle blowing policy and codes of conduct for elected members. A new code of conduct for employees was also introduced in 2011. While we have made some recommendations in our management letter to improve reporting, overall we concluded that arrangements were generally satisfactory to prevent and detect fraud and other irregularities.
119. We are required to have arrangements in place to be notified of all frauds over £5,000 and to submit reports to Audit Scotland. One fraud report was submitted to Audit Scotland during 2010/11 and we have been advised that Internal Audit is currently investigating a potential fraud which may require to be reported.

National Fraud Initiative

120. During 2010/11 we continued to monitor the Council's participation in the National Fraud Initiative (NFI) 2010/11. The exercise is undertaken as part of the audits of the participating bodies. NFI brings together data from Councils, Police and Fire and Rescue Boards, Health bodies and other agencies to help identify and prevent a wide range of frauds against the public sector, including occupational pension fraud and payroll fraud.
121. Work to investigate the data matches uploaded to the NFI secure website in January 2011 is on-going and a number of matches have been investigated and the outcomes recorded on the NFI web application. Responsibility for investigating the remaining open matches is clearly defined and work will continue until all matches are fully investigated and closed off. We will continue to monitor the steps taken by the Council as the 2010/11 NFI exercise develops and will submit a report to Audit Scotland by February 2012 summarising the arrangements in place.
122. By 31 October 2011 three frauds with a total value of £9,736 (pounds) had been identified. Other errors have been identified resulting in overpayments of £28,484 (pounds). The Council is seeking repayment of the full £38,220.

Housing benefit/ Council Tax benefit

123. Audit Scotland undertook its risk assessment in October 2009, and the report conclusions were reported to the Audit and Risk Committee in January 2010. This report found that the benefits service had improved performance year on year with new claims and speed of processing information despite operating with financial constraints and reduced staffing levels. The report identified a small number of improvements that were addressed in an action plan that was sent to Audit Scotland.
124. An *Annual Housing and Council Tax Benefit Report* was presented to the Finance and Resources Committee in September 2011 to update members on the performance during 2010/11 and set out key priorities for 2011/12. Within this report, the Council has highlighted that the issues identified in the risk assessment have been addressed.

5. Governance and accountability

125. We audit the Council's subsidy claim form each year in accordance with guidance and instructions provided by Audit Scotland and the Audit Commission, using the HB count methodology. In the three years to 2009/10 the application of this methodology identified a number of errors that will potentially give rise to subsidy clawback, with the DWP making a final decision and claiming a clawback for 2007/08 and 2008/09. The subsidy work for 2010/11 is currently on-going and an estimate of the potential clawback for this year, together with the outstanding settlements for 2009/10, has been provided for in the Council's accounts.

Outlook

126. The five actions identified as part of the Council's self-evaluation of its Local Code need to be addressed. The Council is aiming to address identified weaknesses in the development of capacity and capability of members and officers, as well as ensuring that data that is available to the public is as up to date as practical.
127. The Council is required to complete the review of open matches and we submit a report to Audit Scotland by February 2012.
128. The Department of Work and Pensions wrote to the Council on 3 November to say that no further work was required on the 2009/10 subsidy claim. The Council has until 18 November to submit any mitigating circumstances/representations, after which the Secretary of State will proceed to make a decision on recovery of overpaid subsidy. The decision will be based on the extrapolated figure of overpaid subsidy of £0.554 million. Work on the audit of the 2010/11 subsidy claim has again identified errors and we are currently finalising the figures. We expect to meet the deadline for submission of 30 November 2011



6. Performance management and improvement

Performance management

129. Work has continued throughout 2010/11 to further enhance the Council's performance management arrangements. The Council utilises the Covalent performance management system and all business plan scorecard actions and indicators, both at corporate and service level, are now managed through Covalent.
130. It was agreed by the Corporate Policy and Performance Committee in September 2010 that the Council would move towards performance reporting by exception. The progress report submitted to the June 2011 meeting of the Corporate Policy and Performance Committee indicates that implementation of reporting has varied across Services and Committees. All Services are currently in the process of adapting their reporting processes to this format. The performance reports for the Corporate Governance Service have followed the exception reporting model for four consecutive quarterly reporting cycles. As well as items reflecting good or under-performance, elected members are provided with a summary of the current position of the full business plan scorecard.
131. The Council has undertaken engagement events in preparation for the completion of the 5 year corporate business plan 2011/12 – 2015/16 '*The Next Five Years*'. These engagement events have covered both internal and external partner and stakeholder groups. The format of the 5 year business plan is based on the Public Service Value Model, which aims to bridge the knowledge gap between what the Council does, as public service provider, and how the Council can measure performance in terms of outcomes. This allows the full range of service provision to be reported in a manner which is more accessible to citizens. It is not intended to replace existing models, such as the balanced scorecard approach, but is intended to complement these existing arrangements.
132. The Council has published an Annual Report for 2010/11. The format of the Annual Report 2010/11 includes an executive summary, a performance profile, details of strategic priorities and a section for each service to highlight priorities and objectives. These sections are illustrated by 'case studies' reflecting specific achievements to date. The report is designed to be easy to read and readily understandable by service users as well as other stakeholders and will set out the outlook for the future. The report is available in hard copy at public buildings as well as on the Council website together with links to Aberdeen Performs, the corporate plan and audited accounts.
133. The Council participates in the Improvement Service / SOLACE Benchmarking club with the other Scottish local authorities. This offers a particularly useful resource for unit cost comparisons. The Council also participates in the four cities benchmarking exercise, which provides a comprehensive range of benchmarking opportunities. Further improvements in benchmarking activity are a key priority as reflected by the inclusion of an action in the Corporate Governance Business Plan and the on-going work to establish a range of sector indicators.
134. There is a Corporate Performance Management Group which is coordinated by the Performance and Risk Team. The aim of the group is to share best practice and to ensure consistency of approach in all performance management arrangements. The group meets at least quarterly. Standing items include benchmarking, exception reporting and self-evaluation.
135. Feedback from engagement activities is collated and used to inform service business planning. The Council participates in the Scottish Public Services Ombudsman (SPSO) working party to establish a common complaints handling procedure. In addition, a feedback system has been trialled in order to effectively manage complaints handling, analysis, reporting and lessons learned.

6. Performance management and improvement

136. The module is a part of the Covalent software package and is integrated with both the performance and risk management streams which are already fully rolled out. If the complaints handling module is adopted, the Council will be in a position to monitor all complaints handling activity and to demonstrate improvements and lessons learned instigated as a result of complaints analysis. In future, it is intended that complaints handling will form a part of the Council's performance reporting arrangements.
137. The Council's online performance portal '*Aberdeen Performs*' contains trend data appended to each metric. The narrative associated with each performance metric includes, wherever possible, an explanation of factors influencing progress with actions as well as comparative information with similar organisations.
138. Arrangements in place are sufficient to meet the Council's statutory duties to collect, record and publish a range of Statutory Performance Indicators. The range of non-specified performance indicators required to meet the requirements of the 2010 SPI Direction was agreed by the Corporate Policy and Performance Committee in April 2010. The Council has robust procedures for collecting and checking both specified and non-specified indicators.
139. The SPI proforma was lodged prior to the 31 August 2011 deadline set by Audit Scotland and all 25 specified indicators reported were categorised as reliable on the basis of the audit work conducted.

Equality and diversity

140. The Progress and Achievement Group (PAG) is responsible for monitoring and challenging the progress made in taking forward the Council's Single Equality Scheme 2009 – 2012. Its first annual report was published in November 2010. As part of its annual review, it widely consulted with officers, members, partners and involved representatives from all communities of interest groups and others on progress on equalities. The report also incorporates new issues which have arisen over the year which may not have been in the first publication of the Single Equality Scheme.
141. The report concludes that despite the challenges confronting the Council, the PAG has made a good start on delivering on its Action Plan. The Group is pleased with the progress it has made and looks forward to continuing building on its initial success.

Sustainability

142. The Carbon Reduction Commitment Energy Efficiency Scheme (CRCEES) is a mandatory scheme designed to assist the Scottish Government in achieving its target of reducing carbon emissions by 1.2 million tonnes per year until 2020. In October 2010 the UK Government announced as part of its Comprehensive Spending Review, that the scheme would be "simplified to reduce the burden on businesses, with the first allowance sales for 2011-12 emissions now taking place in 2012 rather than 2011".
143. The Council's Carbon Management Plan 2010 – 2015 was agreed and adopted by the full Council meeting on 24 March 2010. Capital bids are accompanied by a calculation showing the carbon impact of the proposed project so that carbon impact can be considered when prioritising capital investment.
144. The Council registered for the CRCEES in July 2010. Data was collated on all energy consumption across the Council's portfolio of buildings during 2010/11 and the CRC report for 2010/11 was submitted on time by July 2011.

6. Performance management and improvement

145. Bulletin report EPI/11/260 reported progress with implementation of the CMP to the Enterprise, Planning and Infrastructure Committee in September 2011. It noted that the Council was on track to achieve its target of a 23% reduction in carbon emissions by 2015. The Council's CRC-eligible emissions for 2011/12 are 35,010 tonnes of CO₂. At the initial fixed rate of £12 per tonne of CO₂ the cost to the Council for the year will be £0.420 million which compares favourably with the budget of £0.600 million.

Single outcome agreement

146. The SOA, covering the period from 2009 to 2012, was submitted to the Council in May 2009, and signed by The Aberdeen City Alliance (TACA) and the Scottish Government on 30 July 2009.
147. A thorough review was undertaken in 2010 of the Community Planning Services in Aberdeen City, and an Implementation Plan was developed in January 2011. As a result of the review, from June 2011, a new Community Planning Partnership was established, Community Planning Aberdeen, and a new Board, Community Planning Aberdeen Board. TACA has therefore ceased.
148. A paper was presented to the Corporate Policy and Performance Committee in September 2011 reporting the outturn performance against the indicators and targets agreed by (the former) TACA for 2010/11. Following approval from Committee, this report was then submitted to the Scottish Government in line with the national guidance. As part of the Council's public performance reporting, the report is available through the Council and Community Planning website and a summarised publication will be prepared.
149. The SOA was a key document in preparing the Council's five-year Business Plan. The plan outlines the activities and initiatives which the Council will undertake to achieve its strategic objectives which, in turn, reflect the national priorities set by the Scottish Government, the Concordat and the SOA.

Best value audit

150. Audit Scotland's Best Value progress report, published in July 2009, noted that the Council had taken prompt action in implementing plans to address the issues highlighted in the Best Value audit report and the Accounts Commission findings. It noted that the full impact on the action taken to date had yet to flow through; however, the changes to date provide a solid foundation to support on-going improvements.
151. The Chief Executive presented a report to the Full Council in June 2011 updating members on the Council's progress since the publication of the Accounts Commission's Best Value follow-up report. The key issues noted from this report are as follows:
- The Chief Executive is in the early stages of giving consideration to revised decision-making structures to continue the improvements made in streamlining the work of the Council.
 - At the Council's Budget Meeting in February 2011, the Chief Executive was instructed to initiate a review of the Council's management structure in the context of the priority based budget options for the period 2011/2016.
 - The "How Good is Our Council" model of self-evaluation has been adopted as a means of supporting performance improvement.
 - A priority based approach using zero based budgeting principles provided the foundation for a fully-costed five year business plan for 2011/2016.

6. Performance management and improvement

- In agreeing the revised Local Code of Corporate Governance, the Corporate Policy and Performance Committee agreed that it would be helpful for the Council to work to the guidance contained in the Audit Scotland report *Roles and Working Relationships – are you getting it right?* Work has been commissioned by the Director of Corporate Governance on the application and implementation of this guidance, which is due to be concluded this calendar year.

Risk management

152. As reported in our 2009/10 Report to Members, significant improvements were noted in the Council's risk management processes. Both Corporate and Service Risk Registers are now in place and reviewed regularly by the relevant Committee.
153. An update was provided to Members of the Audit and Risk Committee in September 2011 on the scheduled review of the revised Corporate Risk Register and on the progress with the implementation of risk management arrangements across the Council.
154. The Performance and Risk Team within Corporate Governance are adopting an 'Enterprise Risk Management' approach to the Council's strategic risk arrangements. This approach classifies risks according to 'hazard', 'control', and 'opportunity groupings'. It is an approach which emphasises the positive as well as the negative aspects of risk management.
155. Work is continuing to complete the review of service risk registers in accordance with the improvement plan agreed following the internal audit in 2010.
156. The corporate risk manager is seeking to establish effective links between the corporate risk management function and other key functions which impact on the Council's risk framework. These include officers with responsibility for Business Continuity, Emergency Planning, Health and Safety and insurance. In this way, it is intended to build a fully integrated risk management process to support the Council's business planning processes.

Shared Risk Assessment (SRA)

157. The first Assurance and Improvement Plan (AIP) for the Council was published in July 2010, which set out the planned scrutiny activity for the Council for the period April 2010 to March 2013. This was based on a shared risk assessment undertaken by a local area network (LAN) made up of representatives of all of the main local government audit and inspection agencies.
158. The LAN met in late 2010 to update the AIP for the period 2011-14. The update process drew on evidence from a number of sources, including:
 - Our 2009/10 Report to Members
 - The Council's own performance data and self-evaluation evidence
 - Evidence gathered from HMIE, SWIA, SHR and the Care Commission (including published inspection reports and other supporting evidence)
159. The Shared Risk Assessment: Assurance and Improvement Plan 2011-14 was reported to the Audit and Risk Committee in September 2011. Overall, the AIP acknowledges a positive direction of travel, however, has noted there are two areas of scrutiny risk or uncertainly. The first is the Council's political leadership which has been assessed as an area of on-going concern.

6. Performance management and improvement

160. The LAN will continue to monitor the situation as part of its on-going engagement with the Council and if necessary offer scrutiny challenge or support in light of the outcomes of the Council's self-evaluation activity and changing circumstances. Secondly, based on its recent inspection findings, SWIA continue to have significant concern about the performance of the Council's learning disability service. For that reason, SCSWIS (the successor body to SWIA) will be monitoring progress that the Council makes in relation to improving its learning disability service during 2011-12.

National studies

161. Audit Scotland published a number of reports on national studies over the past year. A summary of these reports, together with the Council actions to date, is included at Appendix I.

Outlook

162. The newly established Community Planning Aberdeen and the work carried as part of the development of the five year Business Plan should help the Council and its planning partners in achieving a greater focus on "place" to drive partnership, collaboration and local delivery as envisaged in "Renewing Scotland: The Governments Programme for Scotland 2011-2012 and the Government Economic Strategy".



7 – Follow-up 2009/10 Action plan

Recommendation	Management Response	Update at October 2011		
<p>R1 The Head of Finance and his team should ensure the necessary arrangements are in place to fully comply with the IFRS-based Code of Practice on Local Authority Accounting, which replaces the SORP and applies from 1 April 2010.</p>	<p>Urgent action is being taken to address the steps required in order to successfully achieve conversion to the IFRS-based Code.</p> <p>To be actioned by: Corporate Accounting Manager</p> <p>No later than: 30 June 2011</p> <table border="1" data-bbox="671 763 724 1451"> <tr> <td data-bbox="671 1160 724 1451">Grade</td> <td data-bbox="671 763 724 1160">C</td> </tr> </table>	Grade	C	<p>Fully compliant IFRS-based accounts prepared.</p> <p>Fully Implemented</p>
Grade	C			
<p>R2 Pending the outcome of discussions with OSCR the Council must decide between making the appropriate trust fund disclosures in the 2010/11 accounts and making arrangements for the separate audit of these funds.</p>	<p>Pending the outcome of discussions careful consideration will be given to this matter and appropriate action taken in relation to the 2010/11 year end reporting process.</p> <p>To be actioned by: Corporate Accounting Manager</p> <p>No later than: 30 June 2011</p> <table border="1" data-bbox="1018 763 1072 1451"> <tr> <td data-bbox="1018 1160 1072 1451">Grade</td> <td data-bbox="1018 763 1072 1160">C</td> </tr> </table>	Grade	C	<p>Appropriate disclosure made in 2010/11 accounts.</p> <p>Fully Implemented</p>
Grade	C			



7 – Follow-up 2009/10 Action plan

Recommendation	Management Response	Update at October 2011		
<p>R3 Officers and Trustees should consider how the trust fund information submitted to OSCR can be revised to achieve improvement.</p>	<p>Consideration is being given to improving the trust fund information that's submitted and following the completion of work to rationalise the number of trusts then the Council would expect to see significant improvements. For 2009/10 a response to OSCR earlier in the year has described the process by which additional information will be provided for trusts that are not included in the rationalisation.</p> <p>To be actioned by: Finance Manager</p> <p>No later than: 31 March 2012</p> <table border="1" data-bbox="759 763 807 1451"> <tr> <td data-bbox="759 1160 807 1451">Grade</td> <td data-bbox="759 763 807 1160">C</td> </tr> </table>	Grade	C	<p>Progress on trust fund rationalisation is being made with a meeting with OSCR scheduled to take place in November 2011. This will enable the foundation to be laid for improving disclosure of data submitted.</p> <p>Further action to be undertaken</p>
Grade	C			
<p>R4 Pending the outcome of Scottish Government consultation the Council should make the necessary preparations to publish a pension fund annual report by 1 December following the year end. In preparing and publishing the annual report, the Council is required to have regard to guidance issued by the Scottish Ministers.</p>	<p>The Pension Fund already produces an annual report which is published prior to 1 December each year. The report will be reviewed to ensure it complies with the appropriate LGPS regulations, currently being consulted on, and to be introduced as at 1 December 2011.</p> <p>To be actioned by: Pensions Manager</p> <p>No later than: 31 March 2012</p> <table border="1" data-bbox="1158 763 1203 1451"> <tr> <td data-bbox="1158 1160 1203 1451">Grade</td> <td data-bbox="1158 763 1203 1160">C</td> </tr> </table>	Grade	C	<p>Separate pension fund annual report prepared. This is covered in separate audit.</p> <p>Fully Implemented</p>
Grade	C			



7 – Follow-up 2009/10 Action plan

Recommendation	Management Response	Update at October 2011		
<p>R5 In future the Annual Investment Strategy, the Annual Investment Report and the mid-year review should be presented to the Council for approval.</p>	<p>It is proposed that future reports will be considered initially by Finance & Resources Committee, then referred to Full Council for approval.</p> <p>To be actioned by: Senior Accountant (Treasury / Capital)</p> <p>No later than: 31 March 2011</p> <table border="1" data-bbox="639 763 679 1451"> <tr> <td data-bbox="639 1160 679 1451">Grade</td> <td data-bbox="639 763 679 1160">B</td> </tr> </table>	Grade	B	<p>Mid-year and annual review reported to both the Finance and Resources Committee and the Full Council in December 2010 and June 2011 respectively.</p> <p>Fully Implemented</p>
Grade	B			

The grading helps management assess the significance of the issues raised and prioritise the action required to address them. The grading structure is summarised as follows:

- Grade**
- A** Fundamental issues which require the urgent consideration of senior management
- B** Significant matters which require the attention of line management
- C** Less significant matters, which do not require urgent attention but which should be followed up within a reasonable timescale



Appendix I – Audit Scotland national studies

Report	Publication date	Summary of findings	Aberdeen City Council action
<p>Getting it right for children in residential care</p>	<p>September 2010</p>	<p>This reports examined how effectively councils use their resources on residential placements for their looked after children and identifies areas for improvement. This work complemented the Scottish Government's strategic review of residential child care services in Scotland, conducted by the National Residential Child Care Initiative. (NRCCI).</p>	<p>The Council started the implementation of its redesign of Children Services in May 2010. The first phase included Fieldwork Services and Family and Community Support Services. Family and Community Support Services has undergone further review and additional redesign is taking place (this is one of the Priority Based Budget options).</p> <p>A review and redesign of Residential Children's Services has just started. The key messages of the report are central to this process. All residential unit managers and their staff are familiar with the findings and recommendations of the report.</p>
<p>Physical recreation services in local government</p>	<p>October 2010</p>	<p>This report examined how physical recreation services are delivered, how Councils plan and manage physical recreation services, how much is spent and where and how services are performing and their impact. It also explored Councils' link with ALEOs, but did not try to compare different models of service delivery or consider which is best. Arrangements used to deliver services vary considerably in terms of size and the types of services provided, and each is expected to take account of local circumstances and the requirements of Best Value.</p>	<p>This report was considered by the Council as part of the transfer of its leisure facilities to Sport Aberdeen.</p>



Appendix I – Audit Scotland national studies

Report	Publication date	Summary of findings	Aberdeen City Council action
<p>Improving energy efficiency: a follow-up report</p>	<p>December 2010</p>	<p>This audit re-evaluated the performance of the public sector in improving energy efficiency. It followed up the key recommendations from Audit Scotland's 2008 report, and looked at how prepared public bodies are for the CRC Energy Efficiency Scheme.</p>	<p>The Council's Energy Strategy and Action Plan form part of the overall Carbon Management Plan (CMP) which was approved by Council in March 2010. This sets out the range of projects, covering a 5 year period, required to achieve the target of reducing the Council's carbon emissions by 23% by 2015, based on a 2008/09 baseline.</p> <p>The Carbon Management Strategy Group is responsible for the implementation of the CMP. Progress is reported to Committee on an annual basis.</p> <p>The performance of the Energy Management team is reported to EP&I Committee as part of the annual report on KPIs. Targets include water and energy consumption reductions.</p> <p>The Council is part of the Carbon Reductions Commitment Energy Efficiency Scheme (CRC) and the latest update on the scheme was presented to Finance & Resources Committee in September 2011, specifically looking at the financial implications. Year 1 reporting (2010/11) showed that Aberdeen City Council was ranked 313 out of 2,103 organisations in the CRC, and in total there are 190 local authorities, Aberdeen being 43rd.</p>



Appendix I – Audit Scotland national studies

Report	Publication date	Summary of findings	Aberdeen City Council action
<p>An overview of local government in Scotland 2010</p>	<p>January 2011</p>	<p>This report provided an overview on the issues arising from local authority audits. Its aim was to provide both a review of recent audit work and an overview of the challenges facing local government in 2011 and beyond. The report includes action points for Councils and key questions for Councillors</p>	<p>The Council approved its 5-year business plan in August 2011 and is working through the year 2 process for its Priority Based Budgeting (PBB), which provided the foundation for decisions to be taken in relation to approving a balanced budget for 2012/13 and beyond.</p>
<p>The cost of public sector pensions in Scotland</p>	<p>February 2011</p>	<p>This report sets out information on the costs of the six main public sector pension schemes in Scotland. It is intended to supplement the independent Public Services Pensions Commission's review and provide clarity, transparency and understanding on the costs and key features of the main schemes that operate in Scotland. It sets out how the schemes operate within the UK framework, how costs are controlled and the governance arrangements for the schemes.</p>	<p>Recommendations in this report are directed towards the Scottish Government however Aberdeen City Council is very aware of the costs and liabilities that arise from the various schemes. The future funding of pensions are a key component of the financial planning and decision making process.</p>



Appendix I – Audit Scotland national studies

Report	Publication date	Summary of findings	Aberdeen City Council action
<p>Maintaining Scotland's roads: a follow-up report</p>	<p>February 2011</p>	<p>The overall aim of the audit was to review the extent to which the recommendations in <i>Maintaining Scotland's roads</i> have been implemented and what has changed as a result.</p>	<p>In relation to best value, the Council carries out work through in-house and external contracts. Although difficult to compare checks are carried out. ACC is part of APSE Performance Networks, and are currently in the running for an award for last year's performance results.</p> <p>ACC is part of the Roads Asset Management Plan (RAMP) managed by SCOTS for all councils in Scotland. An update on progress has been provided to the EP&I Committee on an annual basis. The first full RAMP will be ready in the Spring of 2012 with it being reported to committee in May/June 2012.</p> <p>ACC is part of the Road Condition Surveys that are carried out through SCOTS for all councils in Scotland. The Condition Index is provided on an annual basis and is used to assist in the determination of the programme of works for the following year. Due to the criteria for determining the programme it is used as an indicative tool.</p> <p>Performance indicators are in the process of being developed and benchmarking with neighbouring councils is being looked at and in specific service areas actively progressed.</p>



Appendix I – Audit Scotland national studies

Report	Publication date	Summary of findings	Aberdeen City Council action
<p>How councils work: an improvement series for councillors and officers – Arm's length external organisations (ALEOs): are you getting it right?</p>	June 2011	<p>This is the second report in Audit Scotland's "how councils work" series. It is aimed at Councils that are considering setting up ALEOs to deliver services, as well as those with existing ALEOs. It is designed to promote and encourage good practice in the way ALEOs are set up and operated. The report will be of particular interest to officers and councillors who are responsible for monitoring ALEO performance or who serve on ALEO boards.</p>	<p>During financial year 2010/11 Internal Audit conducted an audit of a sample of ALEO's and made a number of recommendations, which were accepted by the Council. Furthermore a review of the External Funding and Following the Public Pound concluded with revised guidance being approved by the Council in October 2011.</p>
<p>Transport for health and social care</p>	August 2011	<p>The overall aim of the audit was to assess the efficiency and effectiveness of transport for health and social care in Scotland. It assessed how well agencies work together to plan and deliver transport for health and social care to meet local needs. Where possible, it has identified potential savings and good practice examples.</p>	<p>The report is currently under consideration by management.</p>
<p>Scotland's public finances: addressing the challenges</p>	August 2011	<p>The report provided an overview of the financial environment facing the public sector in Scotland the cost pressures faces. It outlined what the public sector is doing to respond to current and future budget reductions, and highlights a number of key risks and issues that the public sector needs to manage in responding to the challenges.</p>	<p>This report was presented to the Audit and Risk Committee in September 2011, where Members noted the content of the report and remitted the key questions for public sector managers and elected members to the Corporate Management Team for Action.</p>



Appendix I – Audit Scotland national studies

Report	Publication date	Summary of findings	Aberdeen City Council action
Modernising the planning system	September 2011	The audit aimed to assess whether recent reform and modernisation of the planning system is making it more economic, efficient and effective. It evaluated the overall progress made by the public sector in modernising the planning system and the impact that modernisation is having on Council's performance in managing planning applications. The private sector also has a role to play in modernising the planning system; however, this was not looked at as part of this audit.	This recent report is due to be considered by the Enterprise, Planning & Infrastructure Committee in January 2012.



Appendix II – Acronyms

AIP	Assurance and Improvement Plan	OSCR	Office of Scottish Charity Regulator
ALEOs	Arms Length External Organisations	PAG	Progress and Achievement Group
CAMS	Corporate Asset Management System	PAMP	Property Asset Management Plan
CIPFA	Chartered Institute of Public Finance and Accountancy	PCA	Procurement Capability Assessment
CPI	Consumer Price Index	PMQA	Performance Management and Quality Assurance
CRCEES	Carbon Reduction Commitment Energy Efficiency Scheme	RPI	Retail Price Index
DWP	Department of Work and Pensions	SCSWIS	The (new) Care Inspectorate
FRS	Financial Reporting Standard	SHR	Scottish Housing Regulator
FSAP	Financial Statements Audit Plan	SOA	Single Outcome Agreement
HMIE	Her Majesty's Inspectorate for Education	SOLACE	Society of Local Authority Chief Executives
HRA	Housing Revenue Account	SORP	Statement of Recommended Practice
IAS	International Accounting Standards	SPI	Statutory Performance Indicator
IFRS	International Financial Reporting Standards	SPSA	Scottish Public Services Ombudsman
INEA	Inspection of the Education Functions of Local Authorities	SRA	Shared Risk Assessment
ISA	International Standards on Auditing	STO	Significant Trading Operations
LAN	Local Area Network	SWIA	Social Work Inspection Agency
LASAAC	Local Authority Scotland Accounts Advisory Committee	TACA	The Aberdeen City Alliance
LGPS	Local Government Pension Scheme	WGA	Whole of Government Accounts
LLP	Limited Liability Partnership		
MIRS	Movement in Reserves Statement		
NRCCI	National Register Child Care Initiative		
NFI	National Fraud Initiative		

ABERDEEN CITY COUNCIL

COMMITTEE:	Finance and Resources
DATE:	6 December 2011
DIRECTOR:	Stewart Carruth
TITLE OF REPORT:	General Fund Revenue Budget 2012/13 to 2016/17
REPORT NUMBER:	CG/11/152

1. PURPOSE OF REPORT

The purpose of this report is to provide elected members with information to allow the setting of the council tax levels for the financial year 2012/13 as well as provisional levels for 2013/14 to 2016/17. In turn this will allow a balanced budget to be set for 2012/13 and subsequently a capital programme for 2012/13 to 2016/17 to be set.

2. RECOMMENDATION(S)

It is recommended that the Committee:

1. Notes the content of the report and refer the report to Council with any recommendations on Service Options;
2. Agree that the Service Options are prioritised;
3. Agree that elected members provide officers with their full budget proposals by 8 February 2012;

And that Council on 14 December 2011:

4. Agree the service options to be implemented for 2012/13 and future years to achieve a balanced budget taking account of growth pressures and feedback obtained as part of the ongoing Priority Based Budgeting (PBB) process (as detailed in Appendix 1 to this report); and
5. Agree the budget for each Service detailed in Appendix 2 to this report; and
6. To agree the level of council tax for the financial year 2012/13 and indicative level for 2016/17; and
7. To agree the recommendation of the Head of Finance to retain working balances of 2.5% or approximately £11.5 million;
8. Agree that the Capital programme be set such that no capital borrowing is undertaken and that the programme be set in line with the level of capital grant, capital receipts and contributions.

3. FINANCIAL IMPLICATIONS

- 3.1 The Council has continued the implementation of a Priority Based Budgeting approach to review and examine all costs over a 5 year period. This builds on the previous exercise undertaken which formulated the Council's 5 Year Business Plan in August 2011.
- 3.2 In undertaking this review cost pressures that were previously inherent within the approved 5 year plan were re-tested and challenged to determine the impact of the assumptions that were used as part of the 2011/12 budget process. While these generally continued to apply there was further modelling work done around the demographic trends and demand led pressures.
- 3.3 This, coupled with the announcement of the Scottish Government on the anticipated level of funding available for the whole of Scotland Local Government spending limits, allowed greater clarity around the financial projections the Council is likely to face in future years.
- 3.4 The full analysis of the funding settlement is still awaited and is anticipated it will be received in early December 2011. While high level assumptions can be made around this, the final allocation for Aberdeen City Council is still awaited and this is covered further in the report.

4. OTHER IMPLICATIONS

- 4.1 The Council is required to set its council tax levels before the 11 March in the financial year preceding that for which it is set as governed by the Local Government Finance Act 1992 but it is not invalid merely because it is set on or after that date.
- 4.2 The Scottish Government has indicated that it expects local authorities to maintain council tax levels at 2011/12 levels. Failure to do so could lead to a reduction in the level of funding that an individual authority may receive.
- 4.3 The Scottish Government has also indicated that all local authorities will receive, as a minimum, funding levels that guarantee each authority at least 85% of the Scottish per head of funding average. Aberdeen City Council currently receives less than this and will therefore benefit, although the final allocation has still to be announced.

5. REPORT

Current Approved 5 Year Business Plan

- 5.1 The Council approved a 5 Year Business plan in August 2011 which demonstrated a balanced budget for 2011/12 and the further work that would be required to continue to strive towards a balanced position over the 5 year period. A balanced 5 year position, while modelled at a very low level, will by necessity contain inherent risks within it, especially given the current economic climate within which many European countries are now experiencing.
- 5.2 However, within this context the Council undertook a PBB exercise that demonstrated the estimated position between 2011/12 and 2015/16. This is illustrated in the table below:

	2011/12 £'000	2012/13 £'000	2013/14 £'000	2014/15 £'000	2015/16 £'000
Funding	(450,311)	(441,662)	(434,959)	(431,560)	(431,354)
Other Funding	(10,276)	0	0	0	0
Projected Spend	476,164	491,655	511,500	526,276	536,717
Indicative Shortfall (10 Feb '11)	15,577	49,993	76,541	94,716	105,363

- 5.3 It can be seen from the table above that the Council faced significant cost pressures over the next 5 years if it did not address the situation. The PBB exercise aimed at identifying how this could be addressed by way of producing far reaching service options. Given the above position, coupled with the service options approved by Council in February and August 2011 the following estimated financial projections were made:

	2011/12 £'000	2012/13 £'000	2013/14 £'000	2014/15 £'000	2015/16 £'000
Indicative Shortfall (10 Feb '11)	15,577	49,993	76,541	94,716	105,363

2011/12 Council Approved Options - 10 February 2011

Total Service Options	(15,577)	(39,735)	(57,195)	(65,308)	(71,575)
Revised Deficit/(Surplus)	0	10,258	19,346	29,408	33,788

- 5.4 As part of the review of this process, and to allow a balanced budget for 2012/13 to be achieved the work around the PBB exercise was continued, and this is detailed later in this report and is shown at Appendix 1 of this report.

- 5.5 It is worth noting that the PBB exercise undertaken by the Council has been nationally recognised and in a recent report published by Audit Scotland the PBB approach adopted by Aberdeen City Council was highlighted as an effective case study for other organisations to follow. This was reported in the local media with the Press and Journal commenting how the council has turned around its financial planning to become “*cited by that very same organisation [Audit Scotland] as the epitome of fiscal prudence that others would do well to emulate*” (P&J editorial, 25 August 2011).
- 5.6 The PBB approach supports the vision for future services in Aberdeen and responds to the drivers for change. In the future services will become more efficient, effective and targeted. A fully inclusive approach to financial planning continues to be crucial in continuing to adopt a priority based budget (PBB) approach. This approach evolved from the council’s vision for the city of Aberdeen: that it is and remains a ‘vibrant, dynamic and aspirational city’.
- 5.7 This vision continues to enable the council’s elected administration leaders and directors to commit to six key priorities for the city:
- Provide for the needs of the most vulnerable people;
 - Help to ensure that all schoolchildren reach their potential;
 - Manage our waste better and increase recycling;
 - Encourage the building of new affordable housing;
 - Ensure a sustainable economic future for the city;
 - Ensure efficient and effective delivery of services by the council and with its partners.

Financial Settlement

- 5.8 The Scottish Government have announced the outcome of the “Scottish Spending Review 2011 and Draft Budget 2012-13” which provides details of the Local Government allocation for 2012/13 to 2014/15.
- 5.9 The above draft budget document indicates the funding that will be available for Scotland as a whole and does not provide indications of the likely level of funding by individual local authorities. Therefore the following assumptions have been made:
- The projected level of funding for Local Government in Scotland is based on the Scottish Government Settlement announcement;

- It assumes that all GAE indicators remain the same (which will not be the case but any variation is assumed to be minor at this point);
- The new 85% average floor is contained within the total settlement announcement and is therefore distributed and funded from within the total settlement;
- The Mid year 2009 population figures have been used in determining the funding settlement where appropriate, although the final settlement may use more up to date information;
- Specific Grants are contained at 2011/12 levels and do not form part of the overall distributable settlement but are “top sliced”;
- The funding for the Council Tax freeze grant is contained within the overall settlement;
- Unallocated grants remain static at 2011/12 levels and are not subsumed within the overall settlement;
- The Change Funds allocation (2 x £20 million across Scotland and equates to an estimated £1.4 million for Aberdeen) will have to be met from either existing resources or offset by alternative service options;
- The impact of teachers pensions are not known at this time. It is assumed that this cost will now be met from employee contributions;
- Capital Grants will remain constant for the Council at 2011/12 levels. Currently it is understood that there will be a reduction of £130 million across Scotland which could reduce the level of capital grant by £1 to £4 million;
- The settlement contains payments for a Scotland Minimum Wage of £7.20 and payments of £250 per person earning under £21,000 (pro-rata).

5.10 As can be seen from the above it is clear that there are a number of factors that have to be estimated at this point to determine the financial position that the Council may find itself in 2012/13, the first year of the revised draft 5 Year business plan.

5.11 It should be noted that this results in a very favourable position to recent years and is, in part, due to the work undertaken as part of the Priority Based Budgeting process last year.

Council Tax Assumptions

5.12 The current level of Council Tax Band D equivalent is £1,230.39 per annum. This is based on 89,295 Band D equivalent properties.

- Council Tax non-collection rates are maintained at 2011/12 levels for the 5 Year Plan (2.4% per year);
- It is assumed that an additional 400 Band D properties will be added to the charge annually;
- Council Tax levels are frozen at 2011/12 prices until 2015/16 when it is assumed that it will increase by 2% per annum;

5 Year Business Plan Assumptions

- 5.13 Generally, all contractual uplifts reflect the current understanding of the pressure being placed on contracts given the continued high level of interest rates – currently around 4.5%.
- 5.14 Staff increments have been allowed for in full and will cost the Council approximately £4 million. There may be the potential to offset this if performance measures are successfully introduced.
- 5.15 A review of income has been done to identify areas of income that have not been achieved in recent years. This will be due to the economic factors being experienced by the Council or small income streams that are no longer levied or applicable.
- 5.16 Incorporated within the base position is the net PBB Service Options for year 2 subject to any change control that has been approved. Each Service therefore has an inherent saving already incorporated within their base budget position that will have to be delivered for 2012/13 and amounts to approximately £24 million (in addition to the £15 million contained within 2011/12 and subject to change control through the Project Management Office). This delivery is **CRITICAL** to the successful implementation of the 5 year business plan.
- 5.17 There are demand pressures built into the plan based on discussions with Services. These cost pressures have been reviewed further to determine the viability of allowing such growth. Much of the growth was identified as part of the original 5 year plan and is therefore not unexpected. Appendix 2 details the level of spend by Service that is required to meet these demand/cost pressures.

Contingencies

- 5.18 In preparing the budget for the next 5 years the Council has made a number of provisions for anticipated cost pressures, the final cost of which is currently estimated based on the data available at this time.
- 5.19 The contingencies relate to a corporate provision for capital financing charges totalling approximately £3 million, Joint Board requisitions of £36 million and corporate contingencies of approximately £5 million (for items such as Non Domestic Rates, detriment, employer's superannuation, Scottish Government indicative minimum pay awards, utility costs, fuel and a general corporate provision).

5 Year Business Plan Cost Pressures

5.20 The main assumptions that have been built in for anticipated cost pressures are as follows:

- A full allowance has been made for staff in detriment on the basis that it may not be applied or the Council has to meet the “parachute” payments of £250 per person for staff still in detriment;
- There is no pay award for teaching and non-teaching staff (except the minimum wage payment detailed below) in 2012/13 but 1% per annum thereafter which is very optimistic given the current inflationary levels inherent within the UK economy at present;
- An allowance has been made of an increase in non-teaching employer’s superannuation of 0.2% for each of the 5 years;
- A minimum wage of £7.20 has been assumed in 2012/13 with no further increase thereafter (other than nationally assumed pay awards);
- A £250 payment is made to all staff earning below £21,000 per year from 2012/13 (but with no further increase thereafter other than for nationally assumed pay awards);
- Utility Costs are expected to be contained within existing budgeted levels with the exception of Heating Oil which is anticipated will cost the Council an extra £140,000 (assuming Hazelhead Academy is moved to CHP);
- Additional capital financing charges are built into the model based on existing capital investment. This is being reviewed currently as there is an anticipated reduction in funding for Scotland of £130 million;
- The introduction of the new Change Funds is likely to impact on the Council. Nothing is built in at present until further details and discussions can be held, but it is anticipated that this will present a cost to the Council which it is anticipated will be mitigated by existing spend levels or reduced demand levels;
- Fuel costs are currently increasing at approximately 4-5% per annum and an additional £300,000 is therefore included within 2012/13;
- It is assumed that Grampian Police requisition will be maintained at 2011/12 prices;
- It is assumed that Grampian Fire and Rescue requisition will be maintained at 2011/12 prices, but will require clarification;
- No assumption has been made regarding the Tax Incremental Funding, Business Improvement District or Business Rates Incentivisation Scheme at this point;
- There is no provision for the funding for the AWPR on the basis that additional funding is assumed through the GAE allocation (the Council will have longer roads) and as part of any PPP Unitary Charge support from the Scottish Government;

5.21 Given the above and the budget requirements by Service shown at Appendix 2 it is estimated that **the Council requires to identify £3.6 million of savings within 2012/13 subject to confirmation of the final General Revenue Grant the Council will receive from the Scottish Government.**

5.22 The movement from the approved 5 Year Business Plan can be summarised in the table below, and primarily this favourable movement is due to the reduced cost pressures built into the base budget and an anticipated improved settlement from the Scottish Government, primarily due to the introduction of the 85% floor.

Movement Since 10 February 2011

	2012/13 £'000	2013/14 £'000	2014/15 £'000	2015/16 £'000	2016/17 £'000
Revised Deficit/(Surplus)	10,258	19,346	29,408	33,788	n/a
Increased Income Projections	(3,559)	(750)	(1,480)	(6,060)	n/a
Reduced Expected Cost Pressures	(3,099)	(10,867)	(18,906)	(19,629)	n/a
Estimated Deficit/(Surplus)	3,600	7,728	9,022	8,099	15,714

Priority Based Service Options

5.23 Given the above shortfall Appendix 1 illustrates the Service Options that have been put forward by Services. These options were then prioritised by the Corporate Management Team as follows:

	2012/13 £'000	2013/14 £'000	2014/15 £'000	2015/16 £'000	2016/17 £'000
<i><u>New Service Options (Prioritised)</u></i>					
- Priority Score is 0	(2,475)	(3,646)	(4,625)	(4,967)	(5,416)
- Priority Score is 1 to 5	(649)	(934)	737	(3,195)	(94)
- Priority Score is 6 to 10	(228)	(228)	(278)	(278)	(278)
- Priority Score is 11 to 15	(380)	(1,957)	(2,102)	(2,102)	(2,102)
- Priority Score is 16 to 20	(584)	(4,949)	(7,612)	(7,592)	(7,592)
- Priority Score is 21 to 25	(7,911)	(4,008)	(14,011)	(18,416)	(18,748)

5.24 The table above shows how the Service Options are grouped within bands for each priority score, where the priority score is 0 the Corporate Management Team feel more comfortable about the option having a low service impact. As each band is moved through there are greater and greater risks associated with the service option. To provide a balanced budget all options down to Priority Score 11 to 15 would require to be taken. It is recommended that elected members undertake a similar exercise to prioritise their Service Options.

5.25 The above table can also be shown by Service, and this is provided below. Both tables should be read in conjunction with Appendix 1 which provides details around the service options which makes these totals.

	2012/13	2013/14	2014/15	2015/16	2016/17
	£'000	£'000	£'000	£'000	£'000
- Corporate Governance	(1,102)	(1,260)	(1,310)	(1,408)	(1,818)
- Social Care and Wellbeing	(196)	(196)	(196)	(196)	(1,796)
- Education, Culture & Sport	(2,692)	(10,623)	(22,542)	(31,121)	(28,351)
- Housing and Environment	(2,070)	(2,683)	(2,683)	(2,665)	(2,666)
- Enterprise, Planning & Infrastructure	(354)	(297)	(497)	(497)	(536)
- Office of Chief Executive	(43)	(43)	(43)	(43)	(43)
- Council Wide	(5,770)	(620)	(620)	(620)	(620)
<i>Total New Service Options</i>	(12,227)	(15,722)	(27,891)	(36,550)	(35,830)

Working Balances

5.26 The Council aims to retain approximately 2.5% of net cost of services un-earmarked working balances. This equates to approximately £11.5 million.

5.27 As at 31 March 2011 the Council had un-earmarked reserves of £11.3 million. The current out-turn position, while currently forecasting a very small over spend, is anticipated to be within the budget that was set, such that is unlikely that any use of reserves will be required for 2011/12.

Capital Programme

5.28 The Capital programme is currently being developed in light of the current announcement that capital funding from the Scottish Government will be reduced considerably for 2012/13 and 2013/14.

5.29 However it is important to note that as part of the 5 year business plan the Council has made a clear decision **to not undertake any additional borrowing** for future years and that the programme will be fully funded by way of capital grant and capital receipts.

5.30 The final capital programme for 2012/13 is currently estimated to be £26.5 million reducing to £17.6 million the year after. A report will be presented to Council in due course once the settlement announcement is received and these figures can be revised.

6. IMPACT

6.1 As a recognised top priority the Council must take the necessary measures to balance its budget. Therefore, Services are expected to work within a financial constraint as defined by their annual budgets.

- 6.2 Given the service options contained within this report will impact on a number of groups a full consultation exercise has been undertaken to engage with the citizens of Aberdeen, the business community and all other sectors with which the Council does business.
- 6.3 Equality and Human Rights Impact Assessment (EHRIA) forms have been completed as relevant to assess the impact of savings options on any of the diverse groups provided services by Aberdeen City Council. Completed EHRIA forms prepared for Committee reports are published on the Council's web site.

7. BACKGROUND PAPERS

Financial ledger data extracted for the period, and service committee reports on financial monitoring;
Priority Based Budgeting Report;
Local Government Finance Circular No. 2/2011;
Scottish Government 2011 Spending Review.

8. REPORT AUTHOR DETAILS

Steven Whyte
Chief Accountant
swhyte@aberdeencity.gov.uk
01224 523566

Priority Based Budgeting: Final Draft Report (version 1.1)

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Aberdeen City Council

Priority Based Budgeting: Final Draft Report (version 1.1)
3 November 2011



Executive Summary (version 1.1)



Context

In February 2011 the Council approved £71.5m of savings options over 5 year period and has delivered more than £15m of savings in 2011/12. This report identifies further savings options to deliver the Council's approved 5 year Business Plan.

The options contained within this report were identified at service level and subsequently discussed and agreed by the Council's Corporate Management Team.

The Priority Based Budget exercise, which has been recognised by Audit Scotland as an exemplar has replaced the more traditional approach of budget setting. This longer term approach has enabled officers to think radically about how to deliver key services with a reduced cost base.

The 5 year Business Plan outlines a vision for Aberdeen which means that current service delivery models need to be challenged and redesigned to deliver Aberdeen City Council ("ACC") services. This is a challenge for this Council, and will require significant increase in joint working with other public, voluntary and business sector partners within the region, building on the initial conversations that have been undertaken in joining up service delivery to the community.

Summary of new options by 2016/17

Directorate	Contribution	% of overall saving
Social Care & Wellbeing	£1.8m	5%
Education Culture & Sport	£28.3m	79%
Housing & Environment	£2.7m	8%
Enterprise Planning & Infrastructure	£0.5m	1.4%
Corporate Governance	£1.8m	5%
Corporate Savings	£0.6m	1.6%
Totals	£35.7m	100%

This report outlines an additional £36m of potential savings options over a 5 year period to 2016/17. Of this, £15.6m have been highlighted as having a high implementation risk. This is in addition to the 5 year figure of £71.5m of savings which were approved through the PBB process in 2010/11. These options are included for information only as they have already been approved by Council in February 2011.

Executive Summary (version 1.1) Update on Financial Position



The 5 Year Business Plan was approved by Council in August 2011 for the five years 2011/12 to 2015/16. This identified a package of service options which would deliver £71.5m of savings by 2015/16. The value of savings approved for the first year of the Business Plan (2011/12) was £15.6m, of which £15.4m is on track to be delivered. Any shortfall is being covered by efficiencies within services.

Work has been ongoing to update the 5 year Business Plan as it is a rolling programme. The current position regarding expected funding, taking into account the options which were approved by Council on 10 February 2011 for **2011/12 to 2015/16** is as follows:

	2011/12 £000	2012/13 £000	2013/14 £000	2014/15 £000	2015/16 £000
Funding	(450,311)	(441,662)	(434,959)	(431,560)	(431,354)
Other Funding	(10,276)	0	0	0	0
Projected Spend	476,164	491,655	511,500	526,276	536,717
Indicative Shortfall (10 th February 2011)	15,577	49,993	76,541	94,716	105,363
Total Service Options Approved (10 th February 2011)	(15,577)	(39,735)	(57,195)	(65,308)	(71,575)
Revised Deficit/(Surplus)	0	10,258	19,346	29,408	33,788

Executive Summary (version 1.1) Update on Financial Position



A review has been undertaken of all cost / demand pressures the Council is likely to have to address, and assumptions made on the expected financial settlement from the Scottish Government. The PBB process has identified savings which, if chosen, can cover the anticipated shortfall for the period 2012/13 to 2016/17; this will feed into an updated 5 year Business Plan.

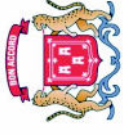
	2012/13 £000	2013/14 £000	2014/15 £000	2015/16 £000	2016/17 £000
Revised Deficit/(Surplus) (from table Page 3)	10,258	19,346	29,408	33,788	n/a
Increased Income Projections	(3,559)	(750)	(1,480)	(6,060)	n/a
Reduced Expected Cost pressures	(3,099)	(10,867)	(18,906)	(19,629)	n/a
Estimated Deficit/(Surplus)	3,600	7,728	9,022	8,099	15,714
New Service Options					
Total New Service Options	(12,227)	(15,722)	(27,891)	(36,550)	(35,830)
Revised Deficit/(Surplus)	(8,627)	(7,994)	(18,869)	(28,451)	(20,116)

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Section 2	ACC Consolidated Summary	page 10
Section 3	Service Options <ul style="list-style-type: none">» Directorate» Council wide and Office of Chief Executive	page 13
Section 4	Dependencies <ul style="list-style-type: none">» Dependencies» Impact on Capital Plan	page 45
Section 5	Next Steps	page 49

Note: a glossary of terms is included at the end of this document



ABERDEEN
CITY COUNCIL

Section 1

CONTEXT AND APPROACH

(version 1.1)

Overview



ABERDEEN
CITY COUNCIL

In 2010, the future funding challenge faced by the Council required a more radical approach to ensure funds were allocated to deliver agreed prioritised service outcomes. A priority-based budget (“PBB”) approach was therefore taken to determine future service and cost commitments to bridge the 5 year funding gap. This is year 2 of the PBB approach to budget setting.

Aberdeen City Council has:

- ▶ The second lowest funding per head in Scotland and
- ▶ Already identified £72m of savings by 2015/16 through the PBB approach.
- ▶ Delivered £15.6m in 2011/12.

However:

- ▶ Expectations and demand for services continues to increase
- ▶ The cost of services is forecast to increase by approximately 5.5% over the next five years and
- ▶ This funding gap is currently estimated to be £16m in 5 years

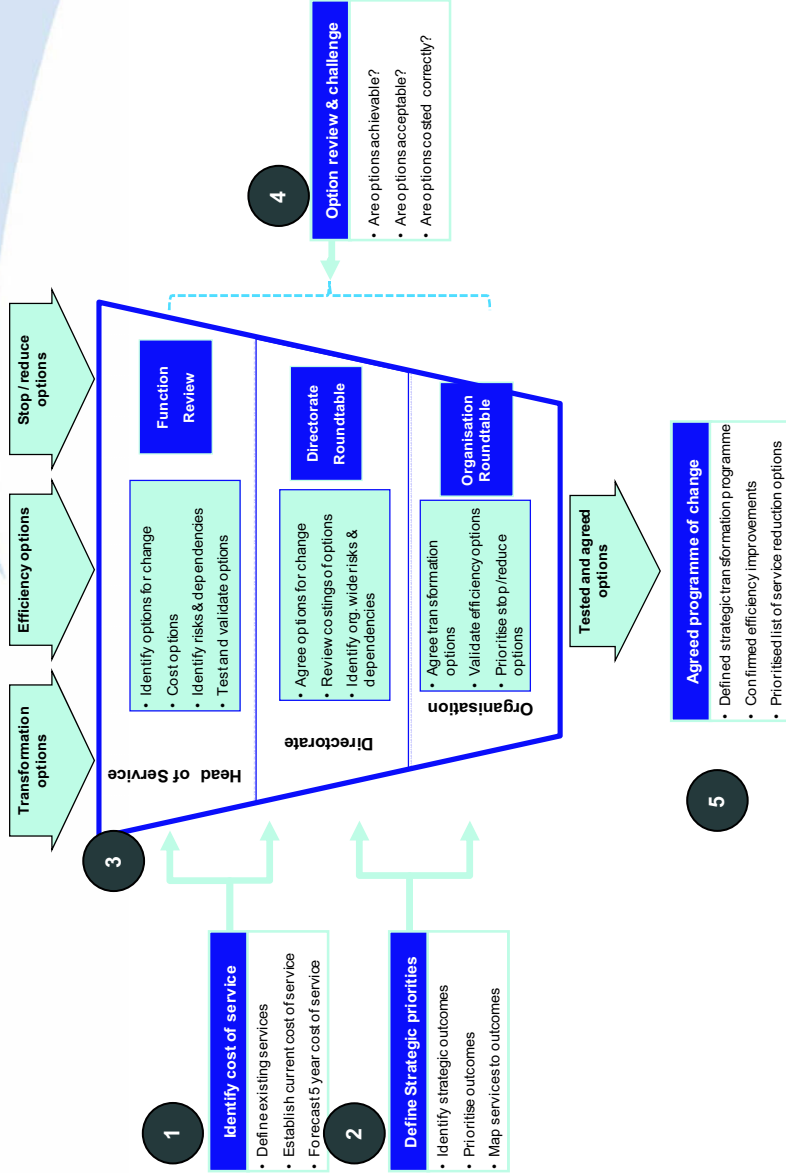
The following are key elements of the priority-based approach:

- ▶ Prioritisation of ACC’s desired outcomes and linking the priorities to services to gain an understanding of services which contributed most and least to the organisation’s goals.
- ▶ Establishment of the current and future costs of services and greater transparency of the drivers of costs and income.
- ▶ Development of a range of options to address the funding gap over the next 5 years.
- ▶ Review of all council services during the project . Options were identified in collaboration with Directors, Heads of Service and Service Delivery Managers.
- ▶ Service Representatives and Service Accountants provided rigour on assumptions and financial modelling during the process.

A summary of the Priority Based Budgeting (“PBB”) approach is set out on the next page.

Section 1 Context and Approach (version 1.1)

Overview of PBB Process



As outlined in the diagram on the left, there are five key elements to the PBB process:

1. Understand the significant areas of spend and forecast the cost and demand pressures.
2. Understand how services contribute to the organisation's strategic priority outcomes. Map costs to priorities and understand where marginal decisions are needed.
3. Develop transformation, efficiency and stop/reduce options for reducing expenditure.
4. Test the feasibility and benefits of each option throughout the process.
5. Agree a Directorate package of transformation, efficiency and stop/reduce options to take forward which are then prioritised against outcomes.

Following discussion by the Corporate Management Team ("CMT") and approval by elected members, these options will then be translated into the updated 5 Year Business Plan and budget.

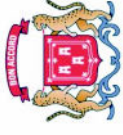
The development of service options was an iterative process at Head of Service, Directorate and organisation level. Options evolved and were filtered out during each stage of review.

Section 1 Context and Approach (version 1.1) Definition of Option Categories



Service options were categorised into three groups to compare options across Directorates and facilitate decision making at the Corporate Roundtable

- A. Efficiency options**
Options that do not change the nature of the existing service, but focus on it being delivered more efficiently and effectively.
Some of these options may have barriers to immediate delivery.
- B. Transformation options**
Options which change the nature of the service delivery.
This relates to opportunities that will achieve material benefits to the Council but will require additional resource and planning to achieve the stated savings.
- C. Stop / Reduce options**
Options that stop or reduce the level of service provided or reduce the number of clients it is available to.
All options have been ranked in the context of the Council's priority outcomes. Within Section 3 of this report items beneath the "red line" within a category received a low ranking and are not recommended for progression.
Some options may have risk associated with delivery, for example requiring changes to legislation or national agreements. These options have been highlighted.
The options which have been previously approved by Council in 2011 are for information only.



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Section 2

ACC CONSOLIDATED SUMMARY

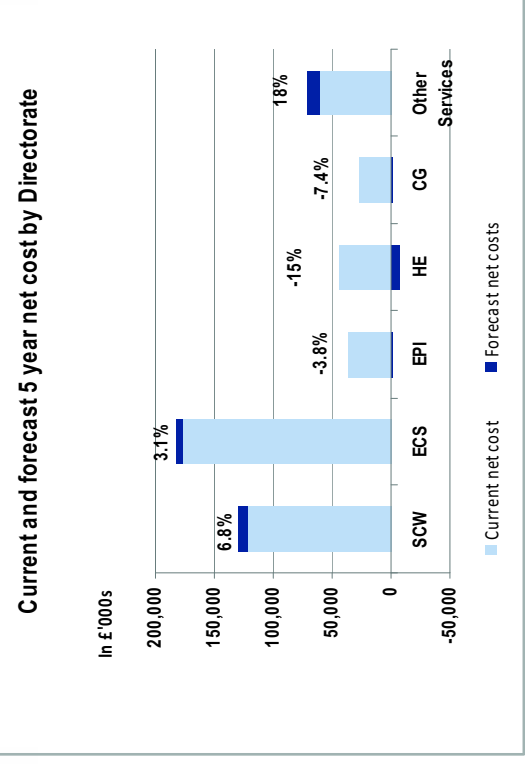
(version 1.1)

Section 2 Consolidated Summary (version 1.1)

Current and future cost of services



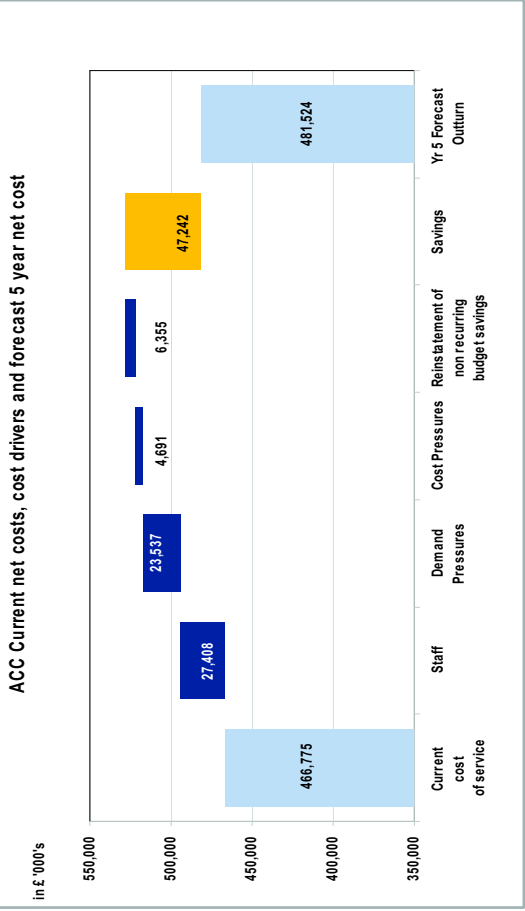
The 2011/12 net cost of all Aberdeen City Council services is £467 m. This cost is forecast to rise to £482m by 2016/17.



Social Care & Wellbeing along with Education Culture & Sport account for 73.6% of ACC's total net costs (£299m)

The net costs of these two Directorates is forecast to increase by £.14m by 2016/17.

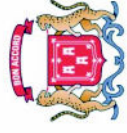
Other Services includes Council Expenses, Joint Boards, Office of Chief Executive and Miscellaneous Services.



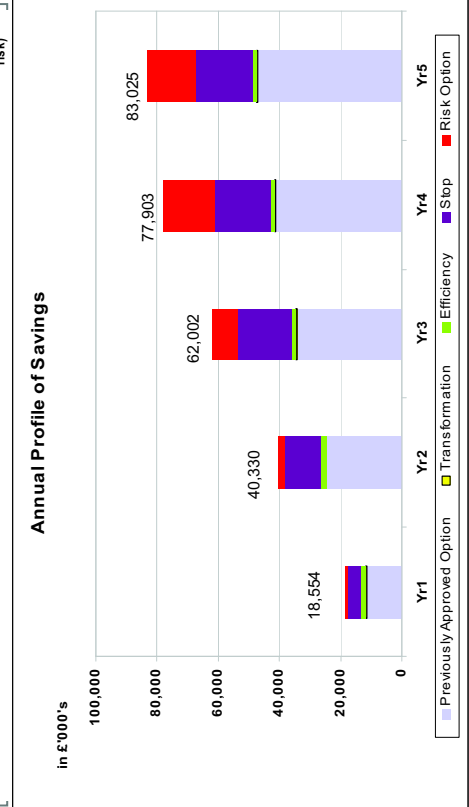
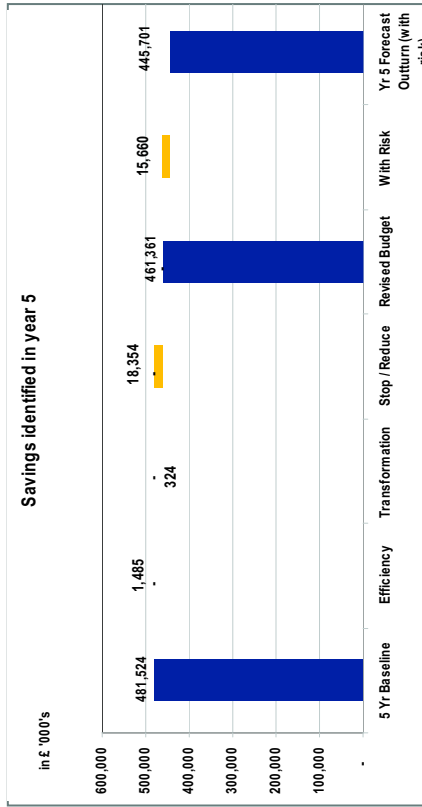
The cost pressures that will impact on services over the next 5 years are driven by:

- Continued inflationary pressures within the economy
- Staff pay awards have not been incorporated into the 2012/13 cost pressures. However, a 1% pay award annually will add another £.3m per year of cost pressures into the 5 year Business Plan
- Demographic changes causing an increase in demand for services
- Increasing costs of externally commissioned services
- Increasing requirements of services (due to environmental considerations and repair and maintenance needs of existing infrastructure and assets).

Summary of consolidated savings



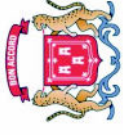
Additional savings of £35.7m over 5 years have been identified, representing 8% of the total forecast 5 year baseline. This includes savings from higher risk options that will require national change in policy and the revenue impact of some significant capital investment.



Directorate	Contribution	% of overall Directorate 5 year costs	% of overall saving	Risk adjusted element
SC&W	£1.8m	1.4%	5%	£1.6m
EC&S	£28.3m	15%	79%	£12.8m
H&E	£2.7m	7.6%	8%	£nil
EP&I	£0.5m	2.1%	1.4%	£nil
CG	£1.8m	6.9%	5%	£1.2m
Corporate Savings	£0.6m	n/a	1.6%	£nil
Totals	£35.7m	n/a	100%	£ 15.6m

Risk options are highlighted within individual Directorate summaries in the following pages.

- All savings have been calculated at current costs.
- Redundancy costs are included.
- Unless otherwise stated, capital expenditure and receipts have not been included.



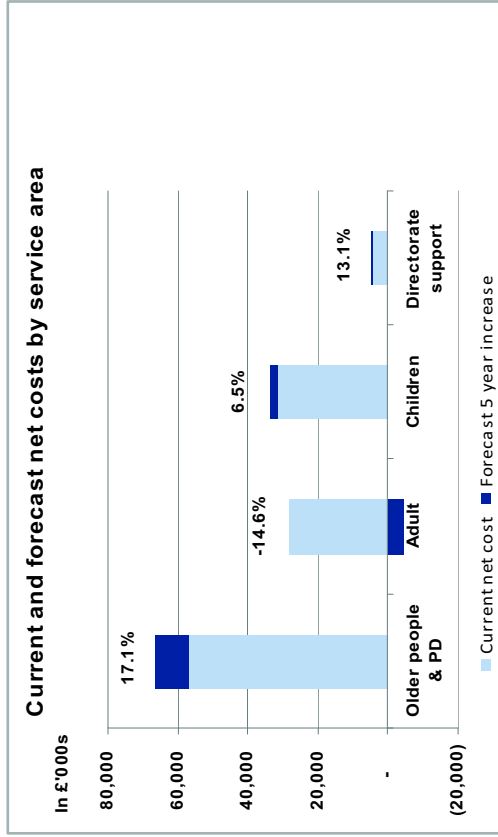
ABERDEEN
CITY COUNCIL

Section 3 **SERVICE OPTIONS** (version 1.1)

Social Care & Wellbeing (SC&W): Cost of services

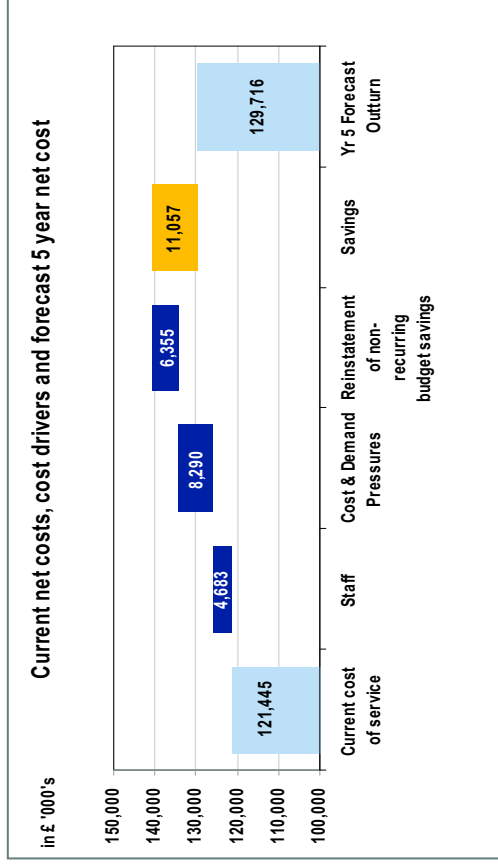


The 2011/12 net cost of Social Care and Wellbeing services is £121m. This cost is forecast to rise by 6.8% to £130m by 2016/17.



Older People and Adult Physical Disability services have the largest current net costs (£57m) and have the largest 5 year forecast cost pressures (17.1%).

The effect of the entire Directorate forecast cost pressures will be an increase in the proportion of total net costs incurred by Older People and Adult Physical Disability services, from 46.9% to 51.4%.



The cost pressures that will impact on SC&W services over the next 5 years is driven by:

- An increase in demand for services due to an ageing population;
- Rising ACC staff costs, and
- An increase in the cost of services commissioned externally

These cost pressures are marginally offset by a forecast increase in income due to the rising levels of demand.

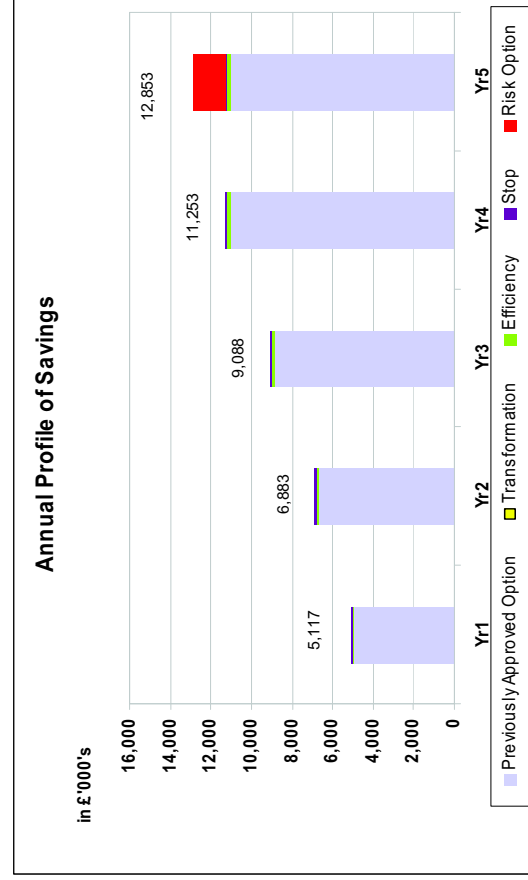
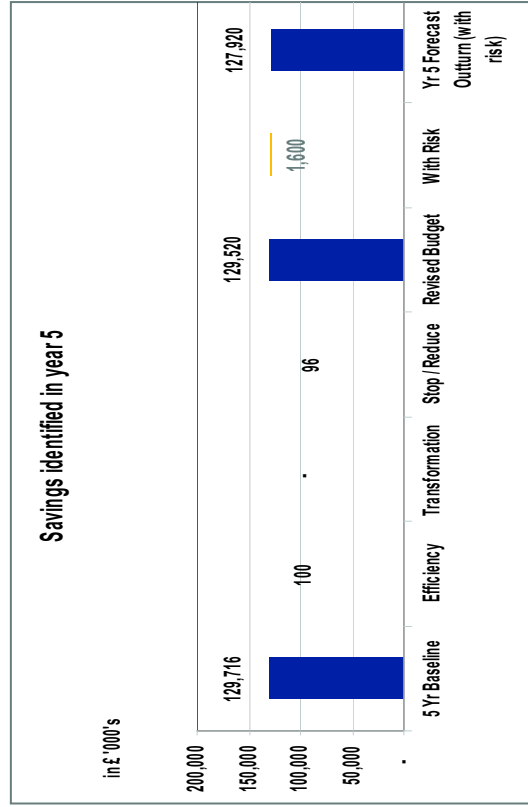
Section 3 Service Options (SC&W) (version 1.1)

Summary of SC&W savings



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- A total of £1,796m of new savings options have been identified for Social Care & Wellbeing services. This is in addition to the £11m of savings already approved. These savings represent 5% of the Directorate 5 year baseline.



Savings will be achieved through a combination of more effective assessment and management of client needs such that they can be met by a lower cost of services, and options that seek to reduce the unit cost of services through measures such as externalising services and improved commissioning arrangements.

Section 3 Service Options (SC&W) (version 1.1) SC&W: Transformation options

Transformation options will manage levels of increasing demand and meet individuals' needs more cost effectively through:

1. Transforming the assessment & care planning process
2. Promoting prevention through early intervention
3. Reducing residential care
4. Re-designing adult day support
5. Delivering outcomes focused commissioning

FOR INFORMATION ONLY: Transformation Options which have already been approved			
Reference	Option description	Value in Yr 5 (£k)	Comment
SCW6	Review workforce skill mix to reduce the number of professional staff and replace with para-professional staff	45	
SCW14	Reduce the number of specialist care placements for children and young people by redesign and small addition to existing local services	700	Requires capital investment
SCW15	Redesign of Family and Community Support Services	316	
SCW16	Investment in local fostering and adoption capacity	223	
SCW18	Move to personalised budgets for people in receipt of home care services	645	
SCW13	Jointly commission service with other organisations	500	
SCW21	Establishment of a LA trading arm	585	
SCW1	Redesign of learning disability	7,308	
SCW22	Introduction of electronic monitoring for care at home services	47	
TOTAL		10,369	

Section 3 Service Options (SC&W) (version 1.1)

SC&W: Efficiency options



Efficiency options will deliver better value for money on services provided by:

1. Improving existing commissioning arrangements with 3rd party provider
2. Commissioning more services externally
3. Ensuring individual clients have the most cost effective care packages suitable to meet their level of need
4. Improving internal processes and practices

FOR INFORMATION ONLY: Efficiency Options which have already been approved			
Reference	Option description	Value in Yr 5 (£k)	Comment
SCW8	Stop subsidising criminal justice social work – provide only with Northern Community Justice Authority grant	280	
SCW5	Re-evaluate social work contribution to Integrated Addiction Services	51	
SCW17	Renegotiate commissioned services from the third sector in community & youth justice	44	
TOTAL		375	

New Efficiency Options			
Reference	Option description	Value in Yr 5 (£k)	Comment
SCW32	Review Kinship Payments	50	
SCW31	Review Social Work charging policy	50	
TOTAL		100	

Section 3 Service Options (SC&W) (version 1.1)

SC&W: Identified Stop / Reduce options



It is assumed that all of these options are undesirable and implementation of these options is dependent on the size of the funding gap and the savings that can be achieved from transformation and efficiency options.

All Stop / Reduce options have been ranked in order of 'least undesirable' in the context of the Council's priority outcomes. This ranked order reflects the order in which these options would be implemented up to the point that the remaining funding gap could be filled.

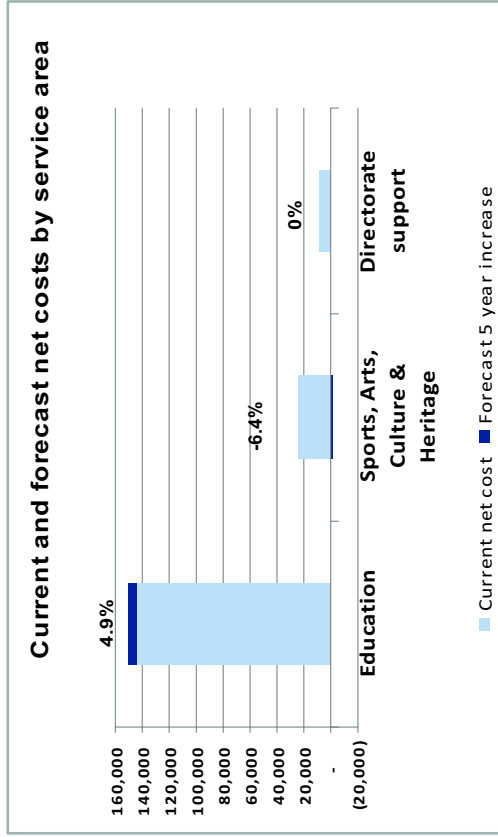
FOR INFORMATION ONLY: Stop/Reduce Options which have already been approved			
Reference	Option description	Value in Yr-5 (£k)	Comment
SCW10	Stop funding community carers & room to care	21	
SCW25	Reduce Directorate and policy and strategic development by 50%	292	
New Stop/Reduce Options			
Priority ranking	Reference	Option description	Value in Yr-5 (£k)
34	SCW27	Reduction of Under Commitment in Voluntary Organisation Payments	96
35	SCW29	Request payment holiday from Grampian Data Sharing Partnership	0
88	SCW33	Stop Funding Mental Health Day Care	1,000 RISK
84	SCW34	Reduce threshold for service eligibility/provide emergency care only	0
85	SCW36	Stop provision of Integrated Community Drug rehab Support Services	600 RISK
TOTAL			1,696

CMT preferred order of implementation, ranked against Council priorities. Items below the red line are not recommended for progression

Section 3 Service Options (EC&S) (version 1.1) Education, Culture & Sport (EC&S): Cost of services

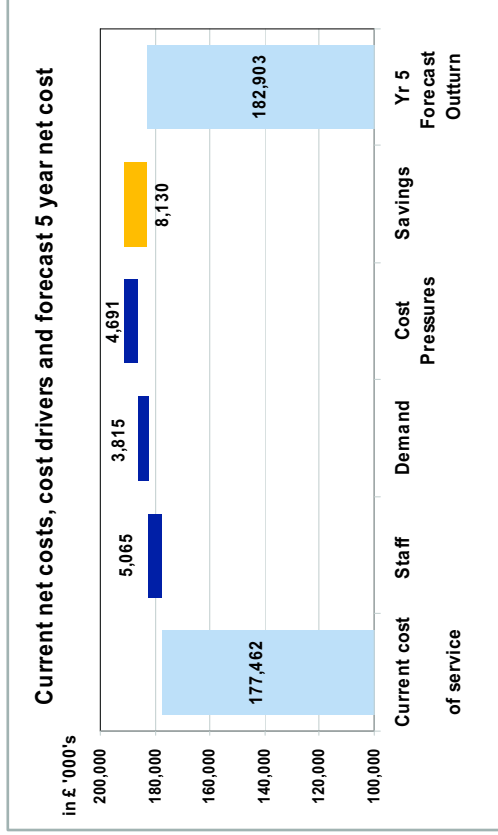


The 2011/12 net cost of Education, Culture and Sport services is £177m. This cost is forecast to rise by 3.1% to £183m by 2016/17.



Within EC&S, Education services account for the majority of current net costs (£144m) and have the largest 5 year forecast cost pressures (4.8%).

The effect of the entire Directorate forecast cost pressures will be a slight increase in the proportion of total net costs incurred by Education services, from 81.3% to 82.5%.



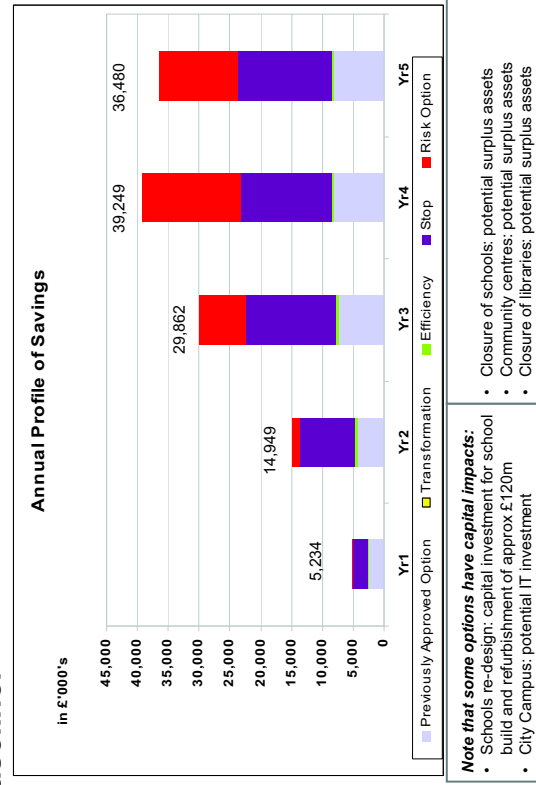
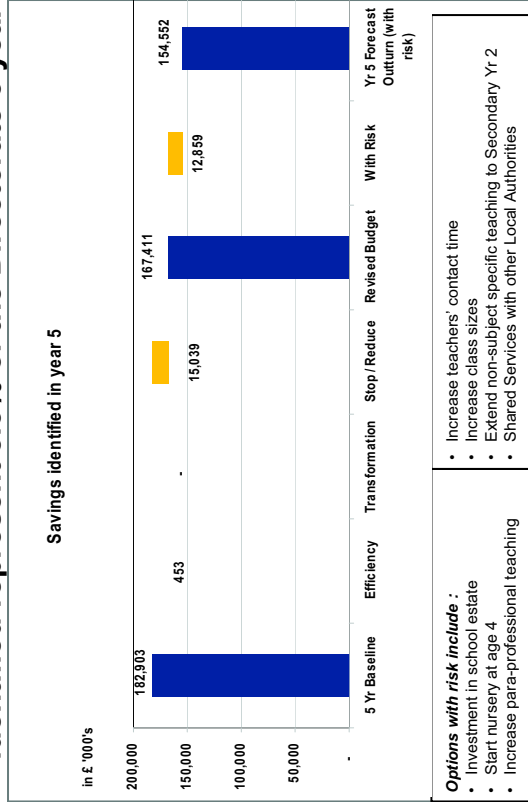
The cost pressures that will impact on EC&S services over the next 5 years are driven by:

- Rising cost of staff, in particular nationally set teacher's T&Cs
- An increase in demand for services due to changing demographics and rising instances of Additional Needs.

Section 3 Service Options (EC&S) (version 1.1) Summary of EC&S savings



- A total of £28.3m of new savings options have been identified for Education, Culture & Sport services. This is in addition to £8.1m of savings already approved.
- £12.8m of identified savings come from high risk options and can only be achieved with changes to national agreements.
- Total savings represent 15% of the Directorate baseline. The £15.5m of core savings which have been identified represent 8.5% of the Directorate 5 year baseline.



The greatest savings can be achieved from high risk options relating to changes to traditional staffing models and a significant change in the delivery of Education services. These options require negotiations with unions and national government, along with a shift in public expectation.

Otherwise, the largest savings from this Directorate come from reducing or stopping services.

Phasing of options reflects the lead time needed to implement high risk options.

Implementation costs mainly relate to impacts of staffing. Capital expenditure requirements are not reflected in this chart but the wider schools re-design option assumes a significant capital investment over the next 20 years and service redesign in library, community and cultural services may release capital assets.

Section 3 Service Options (EC&S) (version 1.1) EC&S: Transformation options



Transformation options will reduce overall costs and focus financial resources on actual service delivery, whilst increasing curriculum choice and encouraging independence and lifelong learning through:

1. Re-designing Education provision and creating a different service delivery model
2. Greater shared provision or commissioning of services in Community Learning and Development and Additional Support for Learning.
3. Consolidation of Cultural and Sports services into a Trust, potentially operating at a regional level for greater synergy.
4. Items below the red line are not recommended for progression.

FOR INFORMATION ONLY: Transformation Options which have already been approved		
Ref	Option description	Value in Yr 5 (£k)
ECS1-C1	Integrated Communities Service	800
ECS1_C26	Reduce the number of out of authority placements by redesign and small addition to existing local services	840
ECS1-C3	Alternative Delivery of Cultural Services	229
ECS_E11	City Campus Senior Phase	2,214
ECS1_C25	To agree a suite of shared services with other local authorities	485
TOTAL		4,568

New Transformation options with risk		
Ref	Option description	Value in Yr 5 (£k)
ECS_E9b	Risk: Redesign of secondary school estate	-3,102*
ECS_E20b	Risk: Redesign the profile of professional staffing in secondary schools	1,500
ECS_E7c	Risk: Redesign the profile of professional staffing in primary schools	650
ECS_E3	Risk: Provide only targeted nursery provision for 3-4 year olds	3,330
TOTAL		2,378

* This figure represents the revenue impact of potential capital investment in the schools estate and should be read in conjunction with school rationalisation options.

Section 3 Service Options (EC&S) (version 1.1)

EC&S: Efficiency options



Efficiency options will deliver better value for money on services provided by:

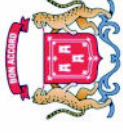
1. Reviewing commissioned services
2. Increasing productivity through changes to the terms and conditions of teachers
3. Making optimal use of school and other community facilities

Options regarding teachers' terms and conditions have been identified as a higher level of risk due to the required changes to national agreements. Items below the red line are not recommended for progression.

FOR INFORMATION ONLY: Efficiency Options which have already been approved			
Reference	Option description	Value in Yr 5 (£k)	Comment
ECS1-C10	Root and branch review of commissioned arts and sports services	1,736	
ECS_E37	Change the delivery model of music tuition	170	
ECS_E19	Rationalise school administration	193	
ECS_E4	Use of Teacher Protection Grant to achieve identified saving	88	
ECS_E30/E35	Changes to terms of engagement of supply teachers	140	
ECS_E5	Nursery nurses to provide non class contact cover for nursery teachers	27	
TOTAL		2,354	
New Efficiency Options			
Reference	Option description	Value in Yr 5 (£k)	Comment
ECS_E8d	Increase class sizes in primary schools – P1 from 18 to 25	440	
ECS_C27	Library & Information Service: new Ways of Working	13	
ECS_E8c	Raise P2 to 3 class sizes to 33 and composite classes in P2 to 3 to 30	120	With Risk
ECS_E26	Increase teaching time to match pupil time in secondary schools	3,200	With Risk
ECS_E6	Increase teaching time to match pupil time in primary schools	1,350	With Risk
ECS_E10	All secondary S1 & S2 classes at 30	700	With Risk
ECS_E31a	Extend non-subject specific/generic teaching until end of S2	4,418	With Risk
TOTAL		10,241	

Section 3 Service Options (EC&S) (version 1.1)

EC&S: Identified Stop / Reduce options



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It is assumed that all of these options are undesirable and implementation of these options is dependent on the size of the funding gap and the savings that can be achieved from transformation and efficiency options.

All Stop / Reduce options have been ranked in order of 'least undesirable' in the context of the Council's priority outcomes. This ranked order reflects the order in which these options would be implemented up to the point that the remaining funding gap could be filled.

FOR INFORMATION ONLY: Stop/Reduce Options which have already been approved			
Reference	Option description	Value in Yr 5 (£k)	Comment
ECS_E22	Reduce Pupil Support Assistants provision by 33% in primary schools	622	
ECS_E24	Reduce Pupil Support Assistants provision by 33% in secondary schools	218	
ECS_E17a	Additional Support Needs: Increase teacher / pupil ratios to 1:10 – Secondary	200	
ECS_E18a	Additional Support Needs: Increase teacher/ pupil ratios to 1:10 – Primary	167	
TOTAL		1,207	

Section 3 Service Options (EC&S) (version 1.1)

EC&S: Identified Stop / Reduce options



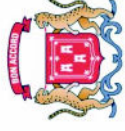
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New Stop/Reduce Options with priority ranking			
Priority ranking	Reference	Option description	Value in Yr 5 (£k)
16	ECS_E9a	Close 2 Secondary Schools	1,992
17	ECS_E29a	Close 5 Primary Schools	1,015
48	ECS_E34	Stop Curriculum for Excellence training in Modern Foreign Languages	100
57	ECS_E12	Withdraw Music Tuition	793
66	ECS_E14	Reduce Teacher Support for Learning Allocation – Secondary Schools	517
67	ECS_E16	Reduce Teacher Support for Learning Allocation – Primary Schools	600
72	ECS_E21	Reduce remaining Pupil Support Assistants provision by 10% in primary schools	400
73	ECS_E23	Remove remaining Pupil Support Assistants provision by 10% in secondary schools	153
75	ECS_C8	Close all 16 Community Libraries, incorporate heritage centre	868
77	ECS_E28	Close Music School	693 With Risk
82	ECS_C2	Close all art galleries & museum visitor venues (1 year)	735
83	ECS_C13	Cease Communities Team service	4,152
93	ECS_E25	Stop pre-school education	3,714
TOTAL			15,732

CMT preferred order of implementation, ranked against Council priorities. Items below the red line are not recommended for progression

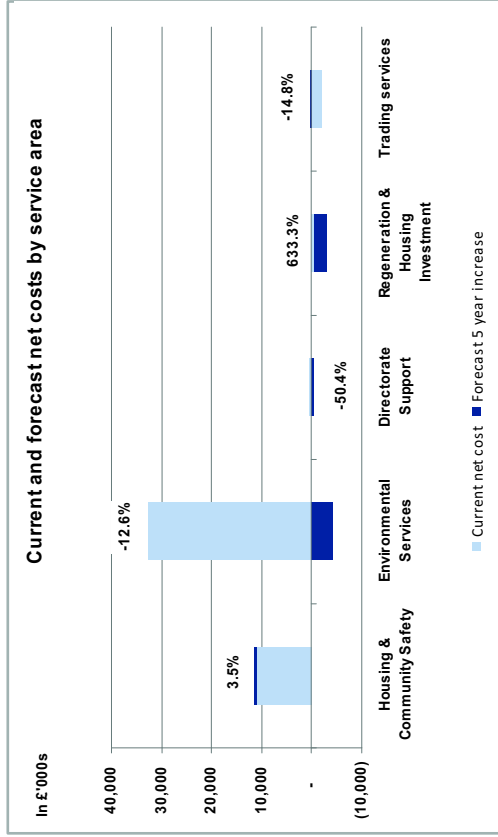
Section 3 Service Options (H&E) (version 1.1)

Housing & Environment (H&E): Cost of services



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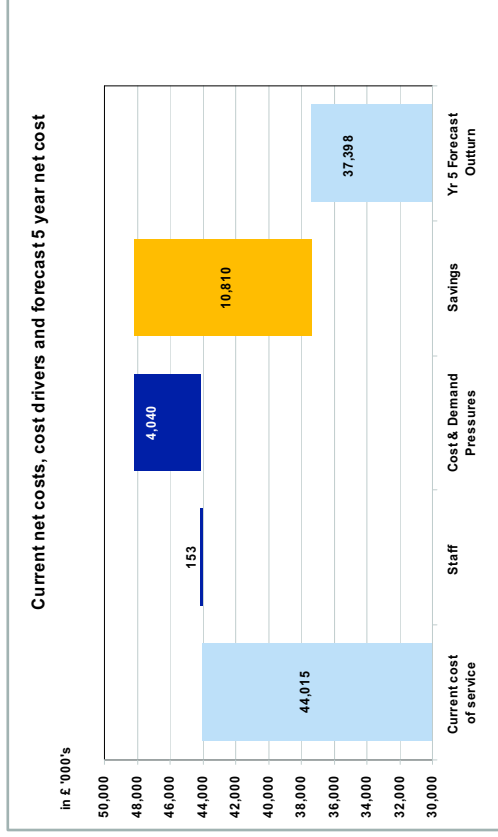
The 2011/12 net cost of Housing and Environment services (excluding the Housing Revenue Account) is £44 million. This cost is forecast to fall by 15% to £37.3m by 2016/17.



The above chart separates the net income of trading services. These are not included in the total net cost figures.

Environmental & Waste services account for the majority of current net costs (£32.8m) and has the largest 5 year forecast cost pressure for Grounds Maintenance, Refuse Collection and Waste Disposal (7%).

The Regeneration and Housing Investment Forecast 5 Year Figure includes the operating surplus of £2.8 million anticipated to be generated from approved service option HE_RHI_01 (Creation of Property Services LLP).



The cost pressures that will impact on H&E services over the next 5 years are driven by:

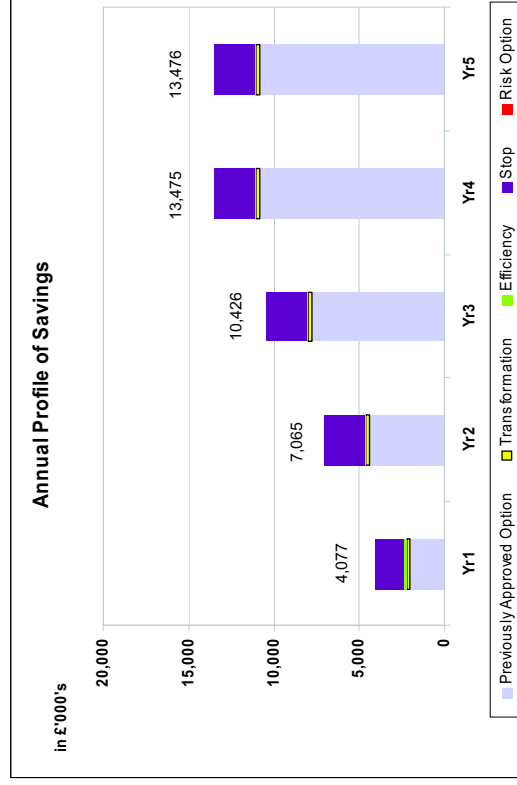
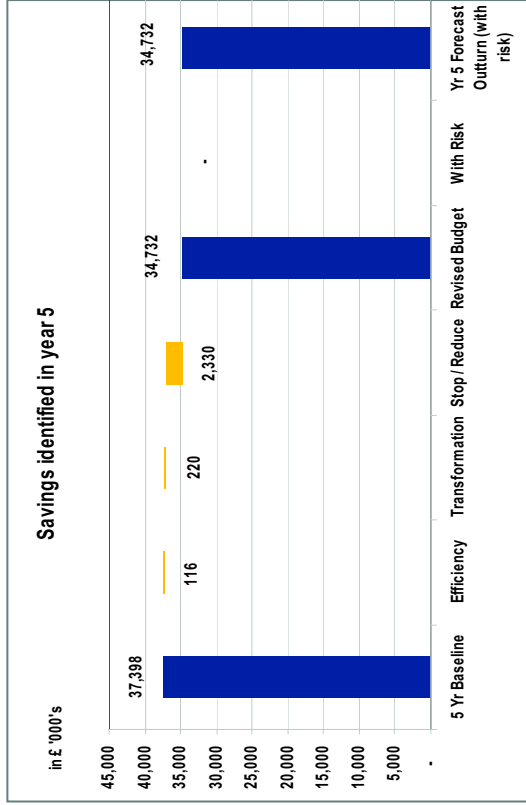
- Rising cost of ACC staff, for known and predicted costs
- Increasing requirements for waste management contract payments and landfill tax

Section 3 Service Options (H&E) (version 1.1)

Summary of H&E savings



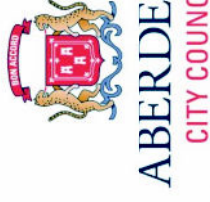
- A total of £2.7 million of new savings options have been identified for Housing & Environment services.
- This is in addition to the £10.8 million of savings already approved.
- The total of new savings represent 7.6% of the Directorate baseline in 2011/12.
- There are no options which have been highlighted as being high risk.



The majority of new savings from Housing and Environment are derived from stop or reduce options, most significantly £1.7 million from reducing expenditure within Housing and Community Safety.

Section 3 Service Options (H&E) (version 1.1)

H&E: Transformation options



FOR INFORMATION ONLY: Transformation Options which have already been approved		
Ref	Option description	Value in Yr 5 (£k)
HE_ES_WS2	Review existing Waste Strategy to determine most cost effective options for diverting waste from landfill	4,822
HE_ES_GM05	External delivery or attain equivalent efficiency savings on grounds maintenance service	451
HE_ES_GM05a	Attain efficiency savings on Grounds Maintenance Service Fleet	208
HE_ES_ST5	External delivery / attain equivalent efficiency savings on street cleaning service	185
HE_ES_ST5a	Attain equivalent efficiency savings on Street Cleansing Service - Fleet	115
HE_HCS_H01(viii)	Increased income from temporary accommodation	100
HE_EP_EP02	Merge Emergency Planning team with SCG support group and potential outsource of some activities	30
HE_RHI_01	Property Services LLP	2,781
HE_ES_WS11	Lobby for removal of landfill tax	580
HE_HCS_CS7	Restructure of the Community Safety Service	56
TOTAL		9,328

Transformation options will create a new service delivery model that is able to meet demands on services and remove cost from the baseline:

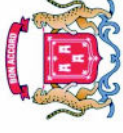
1. Waste strategy will implement a long-term waste strategy that changes the way waste is collected and delivers agreed waste targets. It will leverage full benefit from partnership opportunities
2. Core environmental services will be market tested to determine the optimum delivery framework for each service.

Only H&E options that relate to the General Fund have been considered in this document. These include options which may also generate an impact on the HRA.

New Transformation Options		
Ref	Option description	Value in Yr 5 (£k)
HE_ES_PT06	Close all Public Toilets and replace with Community Toilet scheme	220
TOTAL		220

Section 3 Service Options (H&E) (version 1.1)

H&E: Efficiency options



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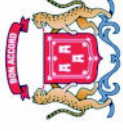
Several efficiency options identified are incompatible with alternative Transformation options that have been agreed. For this reason, their savings have not been recognised. However they remain valid options in the event that the alternative Transformation options are not implemented

FOR INFORMATION ONLY: Efficiency Options which have already been approved		
Reference	Option description	Value in Yr 5 (£k)
HE_ES_WS3	External delivery or attain equivalent efficiency savings in domestic waste collection	288
HE_ES_WS3a	Transfer Fleet Costs to Fleet Service	313
HE_ES_WS9	Increase commercial waste collection charges	218
HE_ES_HT04	Implement mobile working for field staff in Trading Standards and Environmental Health	180
HE_ES_WS10	Within current resources work with communities to divert waste from landfill by improving recycling	75
HE_ES_WS8	Short-term improvements to recycling performance at Recycling Centres	38
HE_ES_ASSL2	Scientific Labs to seek and increase the level of work from the private sector.	8
HE_ES_BSAD1	Increase Bereavement Services charges (Cremation and burial fees) by 10%	142
TOTAL		1,262

New Efficiency Options		
Reference	Option description	Value in Yr 5 (£k)
HE_DSM_01	Re-design of H&E Directorate Support Service	86
HE_ES_ASSL6	Create new working methodologies to retain and capture profitable work at the Scientific Lab	30
HE_HCS_S04(i)	Use Private Sector Housing Unit Surplus (saving of £200k in 2012/13 only)	0
TOTAL		116

Section 3 Service Options (H&E) (version 1.1)

H&E: Identified Stop / Reduce options



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It is assumed that all of these options are undesirable and implementation of these options is dependent on the size of the funding gap and the savings that can be achieved from transformation and efficiency options. All Stop / Reduce options have been ranked in order of 'least undesirable' in the context of the Council's priority outcomes. This ranked order reflects the order in which these options would be implemented up to the point that the remaining funding gap could be filled.

FOR INFORMATION ONLY: Stop/Reduce Options which have previously been approved				
Priority ranking	Reference	Option description	Value in Yr 5 (£k)	Comment
HE_ES_ASSL1		Sub contract high cost / low volume testing to companies that can carry out work cheaper than labs	9	
TOTAL			9	
New Stop/Reduce Options				
Priority ranking	Reference	Option description	Value in Yr 5 (£k)	Comment
32	HE_HCS_CS05n	Remove funding contribution for non-HRA activity within the Antisocial Behaviour Investigation Team	25	
33	HE_HCS_CS05o	Remove funding contribution for non-HRA activity within the Aberdeen Families Project	30	
45	HE_HCS_S04(iv)	Stop Occupational Therapist Dedicated Grant Post	38	
47	HE_HCS_CS05(xi)	Remove funding for the deployment of street urinals	8	
49	HE_ES_GM06	Reduce Grounds Maintenance Service (specific service reduction options)	125	
50	HE_HCS_CS05(xii)	Remove funding for the deployment of taxi marshalls	70	
54	HE_HCS_H07	Homelessness - Reduce Furniture Scheme	20	
55	HE_HCS_CS05h	Remove funding for Community Fire Safety Task Group	7	
59	HE_HCS_H06	Homelessness - Reduce Advice, Information & Support	35	
60	HE_ES_PC1	Reduce Service to selected parks and gardens and / or explore alternative funding arrangements	365	

List continued on next page

CMT preferred order of implementation, ranked against Council priorities, up to the point that any outstanding funding gap is filled

Section 3 Service Options (H&E) (version 1.1)

H&E: Stop / Reduce options (continued)



CMT preferred order of implementation, ranked against Council priorities. Items below the red line are not recommended for progression

Priority ranking	Reference	Option description	Value in Yr 5 (£k)	Comment
		Continued from previous page		
61	HE_HCS_CS05a	Remove funding used by Community Safety Service for local neighbourhood safety initiatives	15	
63	HE_HCS_S03(i)	Reduce housing support budget by 10%	250	
64	HE_HCS_H05	Homelessness - Reduce Prevention	10	
65	HE_HCS_S04(v)	Reduce Funding to SCARF	16	
68	HE_HCS_S04(vii)	Reduce Core Care & Repair Service	42	
69	HE_HCS_CS05(x)	Remove funding for the deployment of street sport activity	5	
71	HE_ES_ST6	Reduce Street Cleaning (specific service reduction options)	80	
76	HE_HCS_S03(ii)	Reduce Housing Support Budget by additional 10% (total reduction 20%)	250	
78	HE_HCS_S04(iii)	Stop Care & Repair Handy Man Service	60	
79	HE_ES_WS5	Remove Paper Recycling in Multi-occupancy areas	0	
81	HE_ES_WS7	Remove Recycling Points Service in Areas Covered by Kerbside Collections	69	
80	HE_HCS_S04(vi)	Stop HECA (Home Energy Conservation) Funding (managed by EP&I)	60	
87	HE_HCS_S03(iii)	Reduce Housing Support Budget by additional 30% (total reduction 50%)	750	
	TOTAL		2,330	

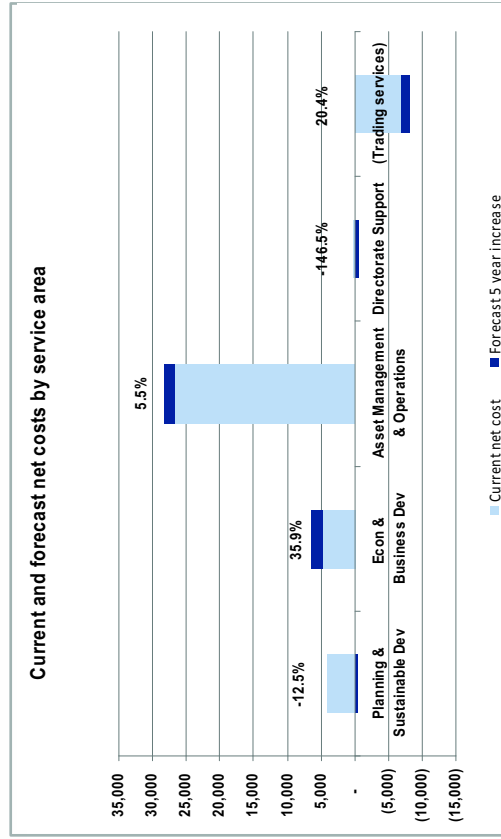
Section 3 Service Options (EP&I) (version 1.1)

Enterprise, Planning & Infrastructure (EP&I): Cost of services



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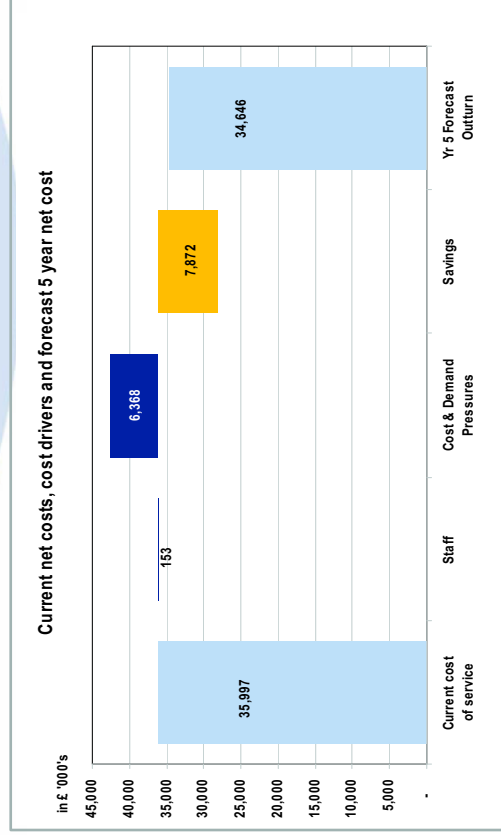
The 2011/12 net cost of Enterprise, Planning and Infrastructure services is £36 million. This cost is forecast to fall by 3.8% to £34.6 million by 2016/17.



The above chart separates the net income of trading services. These are not included in the total net cost figures.

Asset Management & Operations account for the majority of current net costs (£27m) and also the majority of non-staffing cost pressures over the next 5 years. These pressures are generated by the maintenance required for the Council's asset base of property and roads.

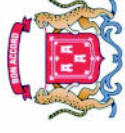
Directorate support includes service wide staff savings which will be reallocated during the year.



The cost pressures that will impact on EP&I services over the next 5 years are driven by:

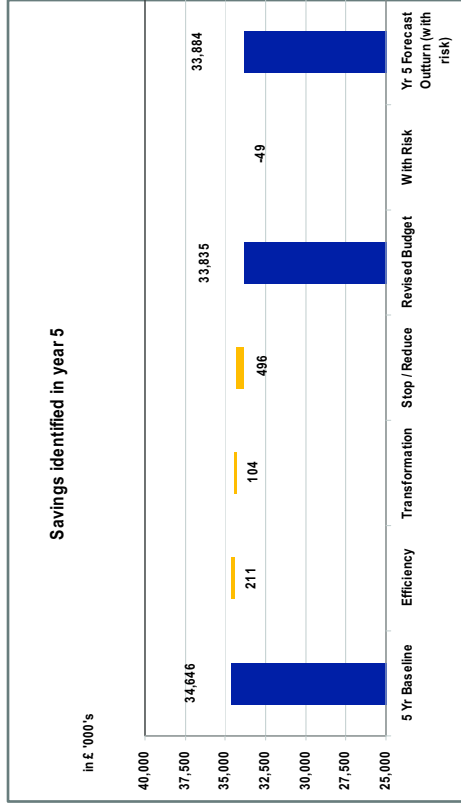
- Rising cost of ACC staff, for known and predicted costs
- The deteriorating condition of roads and properties, which requires an increase in the cost to maintain them
- The pressure on revenue budgets created by managing a reduced Non-Housing Capital programme, due to the limited funding the Council has available for major projects

Section 3 Service Options (EP&I) (version 1.1) Summary of EP&I savings



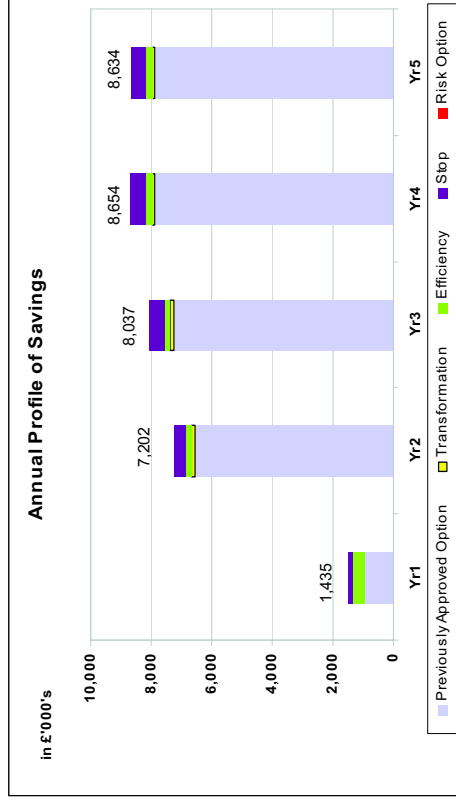
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- A total £0.5 million of savings have been identified for EP&I services. This is in addition to the £11.4 million of savings already approved. These are divided between general fund and trading activities.
- The total of new general fund savings represent 2.1% of the Directorate baseline in 2011/12.
- Two options have been identified as high risk



The total identified savings analysed above relate to general fund budgets. The net impact of options relating to trading activities (parking and property letting) are shown in a separate bar on the chart above (impact on trading surpluses).

Two revenue generation options have been identified as having implementation risks as both require national agreement amendments (AMO25 – PCN rate change & AMO26 – congestion charging).



Options involving capital investment are included above, but are limited by the funding available to the Non-Housing Capital Plan. The revenue impact of planned asset sales from the investment property portfolio has been identified.

Saving option EPL_AM26 (page 33) to introduce congestion charging has been re-assessed. The planning issues involved are considered to require more than 5 years to complete, so no saving can be quoted within the timeframe of the 5 Year Business Plan.

Section 3 Service Options (EP&I) (version 1.1) EP&I: Transformation options



Transformation options include a combination of targeted investment (where funding is available), changes in service delivery models and optimising use of capital assets, including:

1. A framework of strategic partnerships for delivery services (including Fleet, Facilities Management, Roads and Parking)
2. Optimisation of investment and asset portfolios (making disposals where necessary)
3. Investment in the city's economic development agenda

Options that have been identified as higher risk are those that have significant barriers to implementation, these include:

1. Changes in legislation
2. Changes to national agreements or policy
3. Agreement from some other 3rd party that cannot be assumed
4. Items below the red line are not recommended for progression.

Higher risk options (including efficiency) are shown in red

FOR INFORMATION ONLY: Transformation Options which have already been approved		
Ref	Option description	Value in Yr 5 (£k)
EPI_AMO01	Enter into a partnering arrangement for all asset management & operations services	4,981
EPI_DIR03	Assimilate Environmental & waste services from H&E to EP&I	93
EPI_DIR04	Integration across economic development, planning and regeneration services	93
EPI_AMO19	Shared facilities management services with public sector partners	22
TOTAL		5,189
New Transformation Options		
Ref	Option description	Value in Yr 5 (£k)
EPI_EBD05	Income generation by Economic Development	104
EPI_AMO26	High Risk: Charge a Congestion fee for Aberdeen's central business district	-49
TOTAL		55

Section 3 Service Options (EP&I) (version 1.1)

EP&I: Efficiency options



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Efficiency options will deliver better value for money on services provided by:

1. Increasing income opportunities
2. Improving ACC's energy efficiency
3. Introducing new mobile technologies into everyday practice

Efficiencies with risk provide means to raise additional income from motorists, however they require changes in national policy and / or legislation

FOR INFORMATION ONLY: Efficiency Options which have already been approved			
Reference	Option description	Value in Yr 5 (£k)	Comment
EPI_AMO05	Car parking - Increase charges every 2 years	1,334	Trading
EPI_AMO18	Increased mobile and/or remote working for staff throughout the Council	780	
EPI_EBD03a	Increase revenue - advertising on fixed assets	600	
EPI_DIR06	Enable renewable energy network for a low carbon economy (combined heat and power, wind farm etc)	500	
EPI_AMO09	Use of Wi-Fi for roads Urban Traffic Control communications (Traffic Signals)	92	
EPI_EBD03c	Increase revenue - sponsorship of bus shelters / stops	30	
EPI_EBD03d	Only undertake fully funded events	200	
EPI_AMO08	Reduce street lighting whole life costs with energy efficient lanterns	19	
EPI_AMO20	Improved energy efficiency in council buildings	97	
EPI_PSD11b	Investigate further options for generating income from environmental projects	0	
EPI_DS01	Restructuring EP&I Directorate Support Unit	42	With barriers
EPI_AMO24	Optimise parking service operations through different service delivery models	5	Trading : With barriers
EPI_AMO25	Adopt the Scottish Governments proposed change of the Parking Charge Notices rate to £80 or £100	0	Trading : High Risk
TOTAL		3,699	

Section 3 Service Options (EP&I) Efficiency options

(version1)

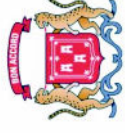


New Efficiency Options			
Reference	Option description	Value in Yr 5 (£k)	Comment
EPI_AMO27	Estates Team to be charged Cost of Capital Sales	111	
EPI_AMO28	Monitoring Officer to be part funded from Developers Fund	4	
EPI_PSD16	Reduction in Net Expenditure for Roads Projects Unit Budget	71	
EPI_AMO31	Re-assess and increase Roads Charges	25	
EPI_AMO29	Introduction of charges to residents for Garthdee CPZ	28	Trading
EPI_AMO30	Increase charge levels for Residents Parking Permits	196	Trading
EPI_AMO11b	Tactically dispose of Selected Property to support Non-Housing Capital Plan	-450*	Trading
TOTAL		-15	

* This figure represents the impact on the Property Investment Portfolio of reduced rental income as a result of selling selected properties. Receipts are anticipated for 2011/12 and 2012/13.

Section 3 Service Options (EP&I) (version 1.1)

EP&I: Identified Stop / Reduce options



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It is assumed that all of these options are undesirable and implementation of these options is dependent on the size of the funding gap and the savings that can be achieved from transformation and efficiency options.

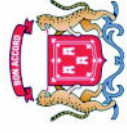
All Stop / Reduce options have been ranked in order of 'least undesirable' in the context of the Council's priority outcomes. This ranked order reflects the order in which these options would be implemented up to the point that the remaining funding gap could be filled.

FOR INFORMATION ONLY:			
Stop/Reduce Options which have previously been approved			
Reference	Option description	Value in Yr 5 (£k)	Comment
EPI_AMO14	Self fund Catering (Town House & Kittybrewster) otherwise stop	98	
EPI_AMO16	Reduce non-housing property maintenance inspections	99	
EPI_EBD02c	Stop all events and twinning activity and reduce marketing costs by 50%	526	
TOTAL		723	
New Stop/Reduce Options with priority ranking			
Priority ranking	Reference	Option description	Value in Yr 5 (£k)
22	EPI_PSD15	Reduction in NESTRANS revenue budget	7
24	EPI_PSD17	Reduce Development Plan Budget	60
25	EPI_PSD18	Reduce Strategic Development Planning Authority Team	50
26	EPI_AMO32	Regional Communications Centre – Move to Frederick Street	30
62	EPI_AMO15	Reduce then Stop School Crossing Patrols (An alternative option to re-design, not stop, School Crossing Patrols is possible but with savings reduced in Year 5 to £60k)	50
TOTAL			496

CMT preferred order of implementation, ranked against Council priorities, up to the point that any outstanding funding gap is filled

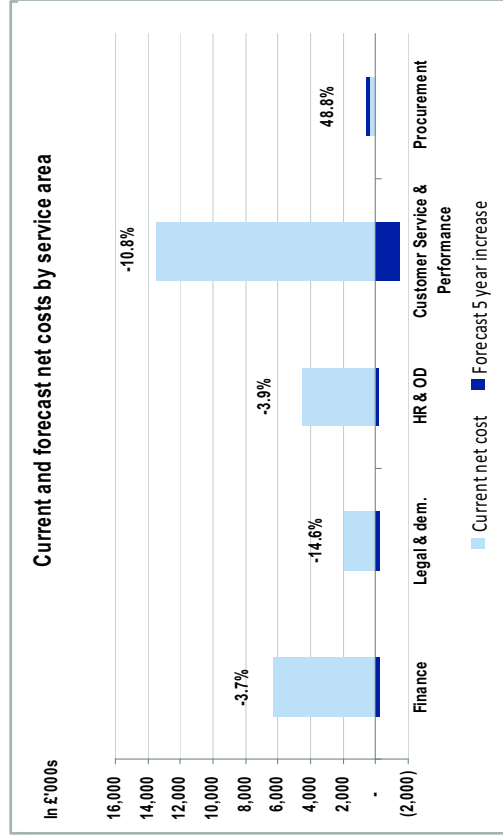
Section 3 Service Options (CG) (version 1.1)

Corporate Governance (CG): Cost of services



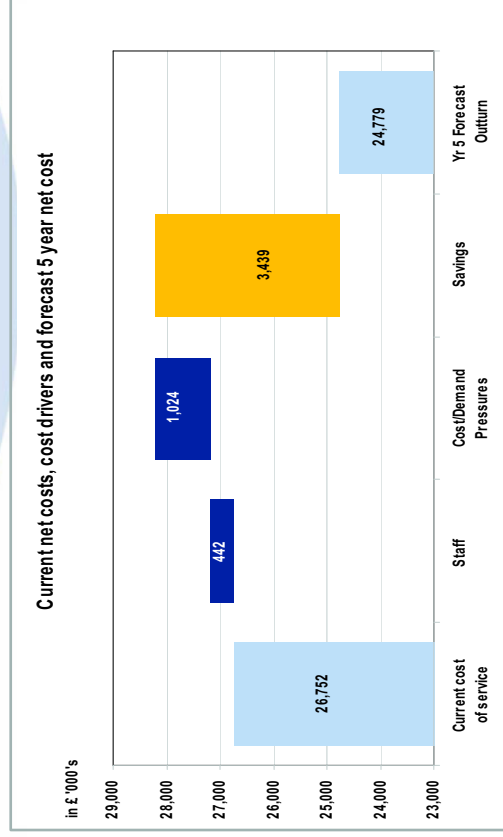
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The 2011/12 net cost of Corporate Governance services is £26.7m. This cost is forecast to fall by 7.4% to £24.8m by 2016/17.



Customer Services and Performance have the largest current Directorate net costs (£13m).

Procurement savings have been allocated directly to Services.



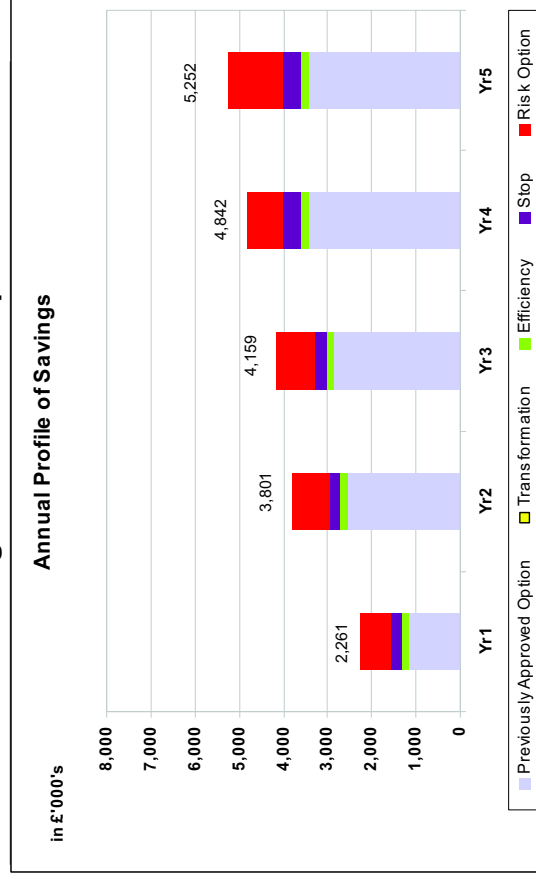
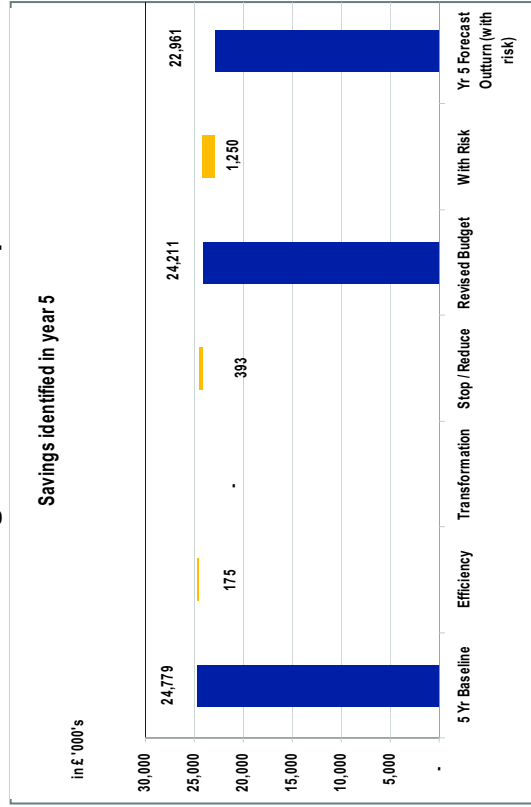
The cost pressures that will impact on Corporate Governance services over the next 5 years are driven by:

- Rising ACC staff costs and
- An increase in demand for Housing benefits service

Section 3 Service Options (CG) (version 1.1) Summary of CG savings



- A total of £1.8m of new savings options have been identified for Corporate Governance services. This is in addition to the £3.4m previously approved.
- Savings represent 7.2% of the Directorate's forecast five year baseline.
- £1.2m of savings relate to 'risk options' where further clarification of legal barriers is required.



Savings from transformation options relate in the main to of the main back office functions within Finance, CS &P and HR &OD which are part of an Alternative Delivery Model.

It is assumed that those options within the Alternative Delivery Model are to be achieved fully in Year 3.

Section 3 Service Options (CG) (version 1.1) CG: Transformation options

Transformation options will:

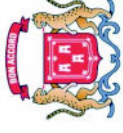
1. Drive greater standardisation and consolidation of activities.
2. Provide a more flexible service able to meet the requirements of a changing customer base.
3. Streamline and effectively manage information.

In the future services will either become increasingly centralised within the Council or be delivered by external providers; Dialogue is underway for the alternative delivery model within Corporate Governance.

FOR INFORMATION ONLY: Transformation Options which have already been approved		
Ref	Option description	Value in Yr 5 (£k)
CG_ADM01	Alternative Delivery of elements of Finance, ICT, Human Resources and Organisational Development and Customer Services	2,273
TOTAL		2,273

Section 3 Service Options (CG) (version 1.1)

CG: Efficiency options



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Efficiency options will deliver better value for money on services provided by:

1. Changing internal processes and structures
2. Maximising income opportunities
3. Employing external service providers

FOR INFORMATION ONLY: Efficiency Options which have already been approved			
Reference	Option description	Value in Yr 5 (£k)	Comment
CG_LDS_09	Maximise the capabilities of modern.gov capabilities to circulate agendas and change minute style	40	
CG_LDS_04	Efficient delivery of Legal Teams (no longer part of Alternative Delivery Model)	259	
CG_LDS_27	Expand charging in Archives – Family History requests	5	
CG_CS_CPL01	Review of Community Planning	109	
CG_CPU_5	Rationalisation of procurement function	80	
CG_CS_EQ02	Equalities function being delivered by cross-sector partnership	200	With barriers
CG_HR_17	Move away from centralised workforce planning in the longer term	75	With barriers
CG_CS_INT01	Externalise delivery of interpreting and translating service	7	With barriers
TOTAL		775	

Section 3 Service Options (CG) (version 1.1)

CG: Efficiency options



New Efficiency Options			
Reference	Option description	Value in Yr 5 (£k)	Comment
CG_F_26	Bed tax – to be examined within context of tourism tax	400	With Risk
CG_CS_FS04	Fairer Scotland Fund – target corporate sponsorship to contribute to fund areas	0	Exercise to determine appetite underway
CGCS_F0S11	Channel shift programme	0	Review underway to determine value
CG_F_28	Accounts Payable – automated process	60	
CG_HR_25	Reduced costs on Occupational Health Contract	10	
CG_HR_26	Reduced costs re Employee Assistance Programme	5	
CG_HR_27	Revision of HR & OD Services	100	
CG_F_30	AECC Swap – Agreement - move to Common Good	500	With Risk
CG_F_31	Explore use of Common Good particularly use of capital receipts	150	With Risk
CG_F_32	Reduce Council tax Relief on second homes	0	With Risk
CG_F_29	Redefine the criteria for relief / discretionary Non Domestic Rates relief	200	With Risk
TOTAL		1,425	

Section 3 Service Options (CG) (version 1.1)

CG: Identified Stop / Reduce options



It is assumed that all of these options are undesirable and implementation of these options is dependent on the size of the funding gap and the savings that can be achieved from transformation and efficiency options.

All Stop / Reduce options have been ranked in order of 'least undesirable' in the context of the Council's priority outcomes. This ranked order reflects the order in which these options would be implemented up to the point that the remaining funding gap could be filled.

FOR INFORMATION ONLY: Stop/Reduce Options which have already been approved				
Priority ranking	Reference	Option description	Value in Yr 5 (£k)	Comment
	CG_CS_PM01	Programme Management office –fully internal	65	
	CD_CS_FS03	Reduce Fairer Scotland Fund	250	
	CG_CS_PMQ07	Align Corporate Information & Research resource to work demand	76	
Total			391	
New Stop/Reduce Options with priority ranking				
Priority ranking	Reference	Option description	Value in Yr 5 (£k)	Comment
8	CG_CS_FOS10	Discontinue iKiosks	65	
9	CG_CS_ICT10	ICT Education Connectivity Support	100	
10	CG_CS_ICT11	Establishment of ICT Enterprise Architecture Framework	0	Review underway to determine value
12	CG_F_27	Rationalise Administration posts in Finance	70	
39	CG_LDS_7E	Saving of convenor and vice convenor payments if less committees	108	
46	CG_LDS_7B	Reduce the number of Council committees.	50	
TOTAL			393	

CMT preferred order of implementation, ranked against Council priorities, up to the point that any outstanding funding gap is filled

Options above this red line have been included in current calculations of total savings. This is based on current predictions of future funding levels and anticipated savings from transformation and efficiency options

Section 3 Service Options (version 1.1)

Council wide options



These options relate to council-wide savings opportunities. They have not been included within any individual Directorate savings.

FOR INFORMATION ONLY: Options which have already been approved		
Ref	Option description	Value in Yr 5 (£k)
ACC_SO13	New ways of working (cross council Admin etc)	900
ACC_SO6	Reduce miscellaneous grants	605
ACC_SO11	Review terms and conditions of staff	0
ACC_SO9	Review corporate training / conferences	555
ACC_SO5	Reduce staff advertising	100
ACC_SO4	Stop general advertising	60
ACC_SO22	Electronic mail and send	400
ACC_SO16	Explore commercial opportunities	0
ACC_SO20	Explore expanding use of Common Good for General Fund	0
ACC_SO18	Reduce management teams	1,075
CG_CPU_01/2a/2b/6/7	Procurement savings	2,239
ACC_SO20	Explore expanding use of Common Good for General Fund	0
TOTAL		5,934
New Options		
Ref	Option description	Value in Yr 5 (£k)
ACC_SO25	Salary sacrifice schemes (buying back holidays / reduced working week)	20
ACC_SO26	Procurement savings – additional services / commodities	1,000
ACC_SO8	Corporate Bond Issue	-400
TOTAL		620

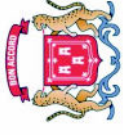
Section 3 Service Options (version 1.1)

Council wide options



These options relate to Office of Chief Executive; the total costs and savings for the Office of Chief Executive are included in the total ACC consolidated position.

New Stop/Reduce Options with priority ranking				
Priority ranking	Reference	Option description	Value in Yr 5 (£k)	Comment
14	OCE_DS01	OCE – Streamline business management	26	
13	OCE_EM01	Election Unit – refocus of administrative assistance	17	
Total			43	



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Section 4

DEPENDENCIES

(version 1.1)

Section 4 Inter-dependencies (version 1.1)

Key options



A. City region agenda Approach to Services

During the Corporate Roundtable, it was recognised that a number of services provided by different Directorates all fit within a wider city region agenda, each impacting on the same communities within Aberdeen. It was agreed that these services, and the identified options relating to them, should be collectively reviewed to understand the combined effect of services on these communities and the impact of any changes made.

The services and related options identified as within the city region agenda are:

Directorate	Service	Options identified
Education Culture & Sport	Communities, Culture and Sport	Future delivery of cultural services
Education, Culture & Sport	Potentially all services	Potential shared services with other local authorities
Social Care & Wellbeing	Family & Community Support	Redesign service
Enterprise, Planning & Infrastructure	City Wardens	
Housing & Environment	Community Safety	various options
Housing & Environment	Homelessness	Homeless strategy

B. Social Care & Wellbeing (SC&W) and Housing & Environment (H&E)

Part of the transformation options within SC&W, aligned to shifting the balance of care, aim to reduce the number of people in residential care. It is anticipated that the Council will need to consider alternative accommodation arrangements to support implementation of this option and this could lead to an increase in demand on Housing Services.

Any cost implications of this demand will need to be considered as the implementation plans become more developed.

Some options newly proposed by the Housing and Environment Service may have an effect to increase numbers needing Social Care services.

C. Customer contact and Out of Hours services

During the Corporate Roundtable, it was recognised that further efficiencies may be possible by consolidating customer contact points across the Council, especially in relation to contact outside of core business hours.

Directorate	Service
Corporate Governance	Regional Contact Centre
Housing & Environment	Building Services call outs

Section 4 Inter-dependencies (version 1.1)

Key options (2)



D. Education and Social Care & Wellbeing

There are a number of inter-dependencies between the benefits accruing from Education options (increasing teacher productivity [ECS_E6 & E26], changes to class sizes [ECS_E8d, E8c & E10] and the use of para-professionals [ECS_E7c & E20b]). Synergies also exist between transformation options relating to the upper stages of secondary education [ECS_E11 & E40] in relation to delivery options for cultural services [ECS_C3 & ECS_C22] shared services [ECS_C17 & ECS_C25].

Further options to reduce or stop classroom and learning support have also been identified. The cumulative financial benefits from the chosen options have been included within the analysis of savings.

Serious consideration would have to be given to the impact these options may have on children's education experience. Financial benefits may not therefore be fully realisable, even if existing implementation barriers around national agreements are overcome.

Further dependencies exist in relation to the Reduction of Out of Authority Placements, [ECS_C26]. The reduction of demand for these placements together with improved local provision, is a collaborative endeavour between Education, Culture and Sport and Social Care and Wellbeing and additional demands on or reductions in para-professionals may limit the ability to deliver on this option.

Opportunities were identified to develop the role of Educational Psychologists to have greater involvement in Children's Services. Full financial and non-financial impacts of these cross Directorate dependencies need to be confirmed.

E. Corporate Governance

The future shape of the services delivered by Corporate Governance is dependant on the configuration and nature of delivery of all other services within the Council. Moreover, the options contained in this report will have significant implications for the future governance of the Council.

Section 4 Inter-dependencies (version 1.1)

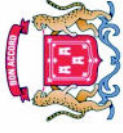
Impact on Capital Programme



Savings identified relate only to revenue expenditure. It should be noted however that a number of options have, or could result in, a capital impact. Some require capital investment to be implemented, while others may remove the need for a capital asset and thus create the opportunity for a future capital receipt. The most significant potential capital impacts are:

Ref no.	Option	Capital impact	Capital impact where known (£ks)
EPI_AMO08	Reduce street lighting whole life costs	Investment (Lanterns)	£75kpa from existing budgets
EPI_AMO09	Use Wi-Fi for Urban Traffic Control	Investment (UTC equipment)	
EPI_AMO11b	Tactical disposal of property assets	Receipt (Investment Property Portfolio Assets)	Site by site basis
EPI_AMO18	Increase mobile / remote working	Receipt (former Corporate Office Accommodation)	Site by site basis
EPI_AMO20	Improve energy efficiency	Investment (Renewables)	Case by case basis
EPI_DIR06	Enable renewable energy network	Investment / Receipt	Dependent on agreement with potential partners
ECS_E9a	Closure of 2 secondary schools	Receipts	Site by site basis
ECS_E9b	Redesign of secondary schools	Investment (New schools & refurbish 2 existing schools)	£120m – starting in year 5 and lasting beyond 10 year timeframe for capital programme
ECS_E11	City Campus, Senior Phase	Investment (ICT)	
ECS_E19	Rationalisation of school administration	Investment (ICT)	
ECS_E28	Close the Music School	Receipt	
ECS_E29a	Closure of 5 primary schools	Receipts	Site by site basis
ECS_C2 or ECS_C2a	Closure of art gallery & museums	Receipts	Site by site basis
ECS_C27	New Ways of working – Library & Information Services	Receipts	Site by site basis / Vehicle disposal
SCW_14	Reduce the no. of specialist care placements for children and young people by redesign and small addition to existing local service	Investment	Estimate £912k

The Council's Corporate Asset Group is tasked with managing the Non-Housing Capital programme and all related issues concerning capital acquisitions or disposals. Officers from Asset Management and Finance are available to assist services from the early stage of developing service options and assess the potential capital impact, including costs, timescales and possible future receipts. Any impact from service options needs to be considered in the wider context of the Council's requirement to sustain an affordable capital programme.



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CITY COUNCIL

Section 5

NEXT STEPS

(version 1.1)

Section 5 Next Steps (version 1.1)

Ensuring Success



The continued success of delivering against the Council priorities alongside successfully delivering the very ambitious and challenging package of options previously agreed and within this Plan will directly link into the impact on the people of Aberdeen. This link should not be broken and the development of the next phase needs to home in on delivering against a number of outcomes, rather than individual service options.

To deliver this, ACC acknowledged that it will need to ensure that it has the strongest possible capability, capacity and governance in place to ensure the successful delivery of the overall 5 Year Business Plan, not just in regards to the discrete Programme, but as an overall Council. Key to this is the:

- Development of an appropriate culture within the Council to drive, embrace and embed change
- Clear leadership and strategic direction that will steer, guide and continuously support the change
- Customer and community engagement
- Ability to report progress and impact on the local community

To achieve this, ACC has identified key activities. They are discussed in more detail over the following pages:

Key Activities	
1.	Address inter-dependencies
2.	Engagement & Implementation
3	Programme Management
4.	Update 5 Year Financial Plan

Section 5 Next Steps (version 1.1)

1. Address inter-dependencies



- A number of inter-dependencies have been identified during the development of service options which need to be resolved in the next stage of development of the Business Plan.
- Communicate capital impacts arising from Directorate programmes to the Capital Programme.
- Capital expenditure and receipts will need to be profiled for each year.
- Review the totality of Transformation options and identify the degree of change impacting on the organisation .
- Consider how the organisation will manage a change programme and potential risks of initiating the full package of identified options (see Section 5 Next Steps, 3).

2. Engagement & Implementation



- Significant progress has been made in the delivery of the Next Five Years Business Plan and key messages and processes used through out the engagement established at the onset of PBB and have been revised to reflect this.
- The elements of the business plan are presented to our citizens, customers, staff, elected members and partners through a programme of engagement activity both internal and external.
- Effective two-way communications throughout change is vital to the success of the implementation of chosen service options.
- At Directorate and Corporate level implementation programmes are critical to the continued successful implementation of chosen service options. These need to consider timing and duration of:
 - Stakeholder engagement
 - Employee consultation and notice periods
 - Negotiations with third parties
 - Sale, build or refurbishment of properties
 - Critical business-as-usual periods.

Section 5 Next Steps (version 1.1)



3. Programme Management

- The Programme Management Office (PMO) was set up in March 2011 to support the delivery of the Five Year Business Plan and the associated PBB savings and options and also to improve the quality of project management and delivery across the Council.
- The Sponsoring Group – made up of the Chief Executive, CMT and the Senior Programme Manager - oversees the work of the PMO and meets fortnightly to monitor the progress of the projects, programmes and other activities that deliver the PBB savings, plus other projects the council is undertaking.
- A mechanism has been set up to continuously track the realisation of targeted PBB savings.
- A corporate change process to monitor and control changes to the PBB options has been set up. Any significant changes to costs, benefits (savings) or scope are considered by the Sponsoring Group for discussion and approval.
- The set up of one elected member working group to ensure one single point of engagement with elected members to monitor the key projects arising from PBB

Section 5 Next Steps (version 1.1)

4. Update 5 Year Financial Plan



- Work continues on inter-dependencies, details of business cases and implementation plans to inform and underpin the success of the implementation of the Financial Plan.
- Ensure no duplication between Directorate and Corporate savings e.g. Procurement.
- Confirmation required on funding levels.
- Additional overlay to Financial Plan for corporate funding options and financing requirements.
- Output from Corporate Asset Group and the setting of future years' non-housing capital plan.
- Perform sensitivity analysis.
- Year 1 of the 5 Year Financial Plan forms the basis for the 2012/13 budget.
- The 5 Year Financial Plan will be incorporated within the Five Year Business Plan.

Glossary (version 1.1)



- ACC** - Aberdeen City Council
- ADM** - Alternative Delivery Model
- CG** - Corporate Governance
- CMT** - Corporate Management Team
- CS&P** - Customer Service and Performance
- EC&S** - Education Culture and Sport
- EP&I** - Enterprise Planning and Infrastructure
- FTE** - Full Time Equivalent
- H&E** - Housing and Environment
- HR&OD** - Human Resources and Organisational Development
- HRA** - Housing Revenue Account
- PBB** - Priority Based Budgeting
- PMO** - Programme Management Office
- SC&W** - Social Care and Wellbeing
- WPO** - Word Processor Operator



ABERDEEN
CITY COUNCIL



General Fund Revenue Budget 2012/13 to 2016/17

	2012/13	2013/14	2014/15	2015/16	2016/17
	£'000	£'000	£'000	£'000	£'000
Service					
Corporate Governance	26,221	26,014	26,021	25,850	26,145
Social Care and Wellbeing	120,131	122,361	124,151	126,020	130,071
Education, Culture and Sport	182,430	183,272	182,697	184,228	185,992
Housing and Environment	43,633	43,755	40,475	37,493	37,578
Enterprise, Planning and Infrastructure	34,196	29,111	29,157	29,572	31,434
Office of Chief Executive	1,110	843	846	849	852
Council Expenses	2,130	2,140	2,156	2,177	2,199
Miscellaneous Services	7,330	10,498	10,948	11,041	10,368
Joint Boards	36,280	36,280	36,643	37,009	37,379
Contingencies	5,257	9,323	13,276	17,268	21,299
Net Cost of Service	458,718	463,597	466,371	471,508	483,318
Funding					
General Revenue Grant	n/a	n/a	n/a	n/a	n/a
Non Domestic Rates	n/a	n/a	n/a	n/a	n/a
Ring Fenced Grants	n/a	n/a	n/a	n/a	n/a
Assumed Settlement Position	(339,677)	(339,677)	(339,677)	(343,074)	(346,504)
Council Tax	(107,711)	(108,192)	(108,672)	(111,335)	(111,624)
Trading Services Surplus	(7,730)	(8,000)	(9,000)	(9,000)	(9,475)
Funding	(455,118)	(455,868)	(457,349)	(463,409)	(467,603)
Budget (Surplus)/Deficit	3,600	7,728	9,022	8,099	15,714

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ABERDEEN CITY COUNCIL

COMMITTEE	Finance and Resources
DATE	06 December 2011
DIRECTOR	Stewart Carruth
TITLE OF REPORT	Treasury Management – Mid Year Review
REPORT NUMBER:	CG/11/149

1. PURPOSE OF REPORT

To update the Committee on Treasury Management activities undertaken in 2011/12.

2. RECOMMENDATION(S)

It is recommended that the Committee considers and recommends this report to Council for approval as follows:

- a) Notes the Treasury Management activities undertaken in 2011/12 as detailed, and
- b) Approves the revised Counterparty list as detailed at Appendix 1.

3. FINANCIAL IMPLICATIONS

Treasury Management activities influence the loans pool interest rates and aims to minimise the cost of borrowing. This directly impacts upon costs chargeable to the Council's revenue budgets through the interest rates that are applied to capital financing costs. Whilst the level of borrowing a Council can undertake is now devolved from the Scottish Government to individual Councils, it will still be constrained by the requirement for capital investment to be affordable, sustainable and prudent. The main test of affordability will be whether the capital financing costs can be contained within the revenue budgets.

4. OTHER IMPLICATIONS

If an active Treasury Management policy is not undertaken and implemented there may be future budgetary implications for the Council through greater than budgeted capital financing costs.

5. BACKGROUND/MAIN ISSUES

5.1 Introduction

The Council previously approved a Treasury Management policy on 21 April 2011. Part of this policy is to report a mid-year review to committee on Treasury Management activities undertaken.

With effect from 1 April 2004, Councils are now required by regulation to have regard to the Prudential Code (the Code) when carrying out their duties under part 7 of the Local Government in Scotland Act 2003.

Historically, the Council's annual programme of capital investment has been funded by Treasury Management activities, such as additional long-term borrowing.

It is a requirement of this Code that Treasury Management is carried out in accordance with good professional practice. The Code requires the Council to comply with CIPFA "Code of Practice for Treasury Management in the Public Services", which this Council does.

This "mid-year" review on activities undertaken is also in line with new reporting requirements from the latest update of the CIPFA Code of Practice.

5.2 Treasury Management 2011/12

The following is a summary of Treasury Management activities which have been undertaken thus far in 2011/12: -

Long Term Borrowing

New Borrowing Two new PWLB (Public Works Loans Board) loans totalling £10 million were borrowed at relatively low rates (average rate 3.625%) with this years capital requirement in mind.

PWLB Interest Rates As a direct result of the Government Spending Review last October, there was a major change to PWLB public sector lending rates. The rationale behind this major change is that HM Treasury will now set the rates at an average of 100 basis points (or 1 per cent) over the relevant gilt price.

However, this additional rise in PWLB rates by 90 basis points has somewhat discouraged the use of PWLB loans, and forced the Council to consider other forms of long term borrowing, such as LOBO loans (Lenders Option Borrowers Option) from financial institutions, and Bond Issuance.

Short Term Borrowing

Short-term borrowing rates for periods of up to 1 year continue at relatively low levels. The Council's borrowing strategy both last year and this year has been to borrow short-term where possible, to take advantage of these lower rates. The Council currently has some £72m of Temporary Loans from other Local Authorities, at an average rate of 0.87%.

Investments

Due to the downturn in the global economy, many previously undoubted financial institutions have been removed from the Council's Counterparty list during the last few years.

The Counterparty list is the approved banks and building societies that the Council may lend to either directly or through the Money Markets, on a temporary basis.

Reviews of the Council's Counterparty list were undertaken and approved by Committee as the situation deteriorated. The proposed amendments were needed to further tighten the Council's lending criteria and further protect the Council's investments in the fragile financial climate. As well as removing certain institutions from the list, maximum lending periods were also reduced.

Upon advice from Sector Treasury Services, the Council's Treasury Management advisors, it is proposed that the maximum lending term for all institutions is reduced to 3 months, with the exception of the Nationalised UK Banks, which are to remain at 12 months.

This is purely a temporary measure, designed to protect the Council's investments in the current volatile climate.

6. IMPACT

Corporate – Failure to approve the changes to the Counterparty list could lead to reduced earnings to the Council.

Public – None.

7. BACKGROUND PAPERS

None.

8. REPORT AUTHOR DETAILS

Neil Stewart, Treasury Officer,
nstewart@aberdeencity.gov.uk, 01224 522696

**ABERDEEN CITY COUNCIL
REVISED COUNTERPARTY LIST**

Deposits up to 12 months

UK Nationalised and Part Nationalised Banks - £20m limit

Lloyds Banking Group (includes Lloyds TSB Bank plc, Halifax Bank of Scotland)

The Royal Bank of Scotland plc
(includes National Westminster Bank plc, Ulster Bank Ltd)

UK Local Authorities, including Police Authorities - £10m limit

Deposits up to 3 months

Council's Bankers - £20m limit

Clydesdale Bank plc

UK Banks - £10m limit

Barclays Bank plc

HSBC Bank plc

Santander UK plc (includes Abbey, Alliance & Leicester plc, Cater Allen)

UK Building Societies - £10m limit

Nationwide Building Society

Questions from Councillor Young

1) To ask the Chief Executive, who will be aware of Section 75 of the Local Government (Scotland) Act 1973 as amended which deals with Disposal etc. of land forming part of the common good, what discussions if any have taken place between internal Council legal officers and/or Council appointed external legal officers and any Council employee relating to Union Terrace Gardens and what is the legal advice provided to the said employee and to further ask the Chief Executive what discussions if any have taken place between internal Council legal officers and/or Council appointed external legal officers and any person - the definition of "person" includes a body of persons corporate or unincorporated - relating to Union Terrace Gardens and what is the legal advice provided to the said person.

Answer:-

Discussions of a general nature have taken place on a number of occasions between Council legal officers and Enterprise, Planning and Infrastructure employees relating to Union Terrace Gardens. No specific legal advice has been provided other than confirmation that the gardens are within the ownership of the Council and form part of the Common Good. In the absence of a Council decision on the exact nature of any project to be undertaken at Union Terrace Gardens there have been no discussions with any "persons" as defined in the question, bearing in mind that legal advice is provided by the Service to the Council and not to third parties.

Councillor Young has stated that he is not happy with the above answer as he cannot believe that the Council is exploring all of the options in respect of Union Terrace Gardens but nobody has looked at the legal issues on S75 given the importance of S75 on this matter.

2) To ask the Chief Executive if the Director of Corporate Governance has ever replied to members of the Joint Consultative Committee (JCC) following the JCC meeting of 4th October 2011 where UNISON Aberdeen Branch presented a report to the JCC into costs associated with external delivery of Council IT services, given the Director disputed the accuracy of the report presented by the above said union and gave an assurance that he would respond to the alleged inaccuracies, can the Chief Executive provide members with a copy of the Director's response to the JCC on the union's paper or be provided with a date as to when the Director intends to respond to the JCC or alternatively can the Chief Executive confirm that the Director now agrees that the report put to the JCC by the union was indeed accurate thereby no longer needing a reply?

Answer:-

A response was provided to the JCC on Friday 25 November in relation to the inaccuracies contained within the Union statement distributed at the JCC meeting.

Councillor Young has stated that he is disturbed that it may have taken his question to the Chief Executive to get a reply from the Director. Although he now has a copy of the answer, Councillor Young has advised that he is unsure of the Director's answer and cannot make up his mind if he agrees with UNISON Aberdeen that the information they provided was correct or otherwise and therefore he requires clarification on this matter.

Question from Councillor Leslie

1) “In light of the EIS survey, can the Chief Executive confirm if teaching staff who have funded stationery pencils, jotters, rubbers, ever been rejected monies from the Education budget for such stationery?”

Answer:-

There is no evidence that any staff have been refused budget for essential stationery items in schools. Staff can and do supplement items in their classroom on a voluntary basis, but these are not essential. School budgets are adequate to meet the necessary equipment for learning and teaching.

Councillor Leslie has stated that he is not happy with the above answer as he believes that pencils, jotters and rubbers are essential stationery items.

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Exempt information as described in paragraph(s) 2, 9 of Schedule 7A of the Local Government (Scotland) Act 1973.

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