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To: Councillor Lumsden, Convener; Councillor Graham, Vice Convener; Councillor Donnelly, the Depute Provost; and Councillors Boulton, Flynn, Laing, Catriona Mackenzie, Nicoll and Yuill.

Town House,
ABERDEEN 10 September 2018

CITY GROWTH AND RESOURCES COMMITTEE

The Members of the **CITY GROWTH AND RESOURCES COMMITTEE** are requested to meet in **Committee Room 2 - Town House** on **TUESDAY, 18 SEPTEMBER 2018 at 10.30 am.**

FRASER BELL
CHIEF OFFICER - GOVERNANCE

BUSINESS

DETERMINATION OF URGENT BUSINESS

1.1 Determination of Urgent Business

DETERMINATION OF EXEMPT BUSINESS

2.1 Determination of Exempt Business

DECLARATIONS OF INTEREST

3.1 Declarations of Interest (Pages 7 - 8)

REQUESTS FOR DEPUTATION

4.1 Requests for Deputation

MINUTE OF PREVIOUS MEETING

- 5.1 Minutes of Previous Meeting of 19 June and Special Meeting of 1 August 2018 - For Approval (Pages 9 - 30)

COMMITTEE PLANNER

- 6.1 Committee Planner (Pages 31 - 52)

NOTICES OF MOTION

- 7.1 Motion by Councillor Reynolds - EU Funding for Hydrogen Trains

“Following decades of campaigning for electrification of the rail line to the North East and the understandable financial difficulties, Aberdeen City Council calls upon the Scottish Government, Abellio, Transport Scotland and any other interested party to investigate, as a matter of urgency whilst EU funding is still available, to replace existing rolling stock with environmentally friendly hydrogen trains.

Subject to Council agreement with the above, that the Chief Executive write to local authorities on the route to gain their support.”

REFERRALS FROM COUNCIL, COMMITTEE AND SUB COMMITTEES

- 8.1 There are no Reports under this Heading

FINANCE, PERFORMANCE, RISK AND SERVICE WIDE ISSUES

- 9.1 City Growth and Resources Performance Report - COM/18/146 (Pages 53 - 74)

GENERAL BUSINESS

- 10.1 VisitAberdeenshire Destination Aberdeen & Aberdeenshire Tourism Strategy 2018 - 2023 - PLA/18/137 (Pages 75 - 122)

- 10.2 Christmas Village 2017 Feedback - PLA/18/136 (Pages 123 - 128)

Please note that there are exempt appendices relating to this report contained within the Confidential/Exempt Section of this agenda.

- 10.3 Review on the Governance of the 365 Advisory Group and Aberdeen Festivals - PLA/18/147 (Pages 129 - 138)

- 10.4 Unrecoverable Debt - CUS/18/134 (Pages 139 - 148)
Please note that Appendix 4 is contained within the Confidential/Exempt Section of this agenda.
- 10.5 Aberdeen City Local Housing Strategy 2018 - 2023 - PLA/18/037 (Pages 149 - 316)
- 10.6 Aberdeen City's Strategic Housing Investment Plan 2019/20 - 2023/2024 - PLA/18/060 (Pages 317 - 346)
- 10.7 Aberdeen City's Affordable Housing Delivery Programme - PLA/18/061 (Pages 347 - 354)
- 10.8 Employability One-Stop Shop - PLA/18/148 (Pages 355 - 358)
- 10.9 Alive at 5 - OPE/18/097 (Pages 359 - 362)
- 10.10 Wellington Road Multimodal Corridor Study - PLA/18/132 (Pages 363 - 378)
- 10.11 2018-2048 Housing Revenue Account Business Plan - CUS/18/145 (Pages 379 - 428)
- 10.12 Condition and Suitability 3 Year Programme - RES/18/151 (Pages 429 - 456)
Please note that there are exempt appendices relating to this report contained within the Confidential/Exempt Section of this agenda.
- 10.13 Finance for Business - PLA/18/149 (Pages 457 - 462)
- 10.14 External Funding and Partnerships - PLA/18/143 (Pages 463 - 488)

EXEMPT / CONFIDENTIAL BUSINESS

- 11.1 Christmas Village 2017 Feedback - Exempt Appendices (Pages 489 - 522)
- 11.2 Unrecoverable Debt - Exempt Appendix (Pages 523 - 524)
- 11.3 Condition and Suitability 3 Year Programme - Exempt Appendices (Pages 525 - 538)

- 11.4 UNESCO Creative Cities Designation - PLA/18/140 (Pages 539 - 606)
- 11.5 Creative Funding Grants Programme - PLA/18/141 (Pages 607 - 638)
- 11.6 Site at King Street/Beach Esplanade (OP85) - RES/18/138 (Pages 639 - 644)
- 11.7 Community Asset Transfer – Seaton Huts and Depot - RES/18/152 (Pages 645 - 650)
- 11.8 Disposal of Land, Devil's Den, Woodside - RES/18/153 (Pages 651 - 656)
- 11.9 New Schools Development Programme 2018 - to follow
- 11.10 Disposal of Former Victoria Road School - RES/18/155 - to follow
- 11.11 Disposal of the Former Cordyce School Site - RES/18/154 - to follow
- 11.12 Middlefield Regeneration - to follow
- 11.13 Option for the Old AECC - to follow
- 11.14 City Centre Masterplan - Phase 2 - to follow

EHRIA's related to reports on this agenda can be viewed at
[Equality and Human Rights Impact Assessments](#)

To access the Service Updates for this Committee please use the following link:
<https://committees.aberdeency.gov.uk/ecCatDisplay.aspx?sch=doc&cat=13450&path=0>

Website Address: www.aberdeency.gov.uk

Should you require any further information about this agenda, please contact Mark Masson, email mmasson@aberdeency.gov.uk, or telephone 01224 522989

Agenda Item 3.1

You must consider at the earliest stage possible whether you have an interest to declare in relation to any matter which is to be considered. You should consider whether reports for meetings raise any issue of declaration of interest. Your declaration of interest must be made under the standing item on the agenda, however if you do identify the need for a declaration of interest only when a particular matter is being discussed then you must declare the interest as soon as you realise it is necessary. The following wording may be helpful for you in making your declaration.

I declare an interest in item (x) for the following reasons

For example, I know the applicant / I am a member of the Board of X / I am employed by...
and I will therefore withdraw from the meeting room during any discussion and voting on that item.

OR

I have considered whether I require to declare an interest in item (x) for the following reasons however, having applied the objective test, I consider that my interest is so remote / insignificant that it does not require me to remove myself from consideration of the item.

OR

I declare an interest in item (x) for the following reasons however I consider that a specific exclusion applies as my interest is as a member of xxxx, which is

- (a) a devolved public body as defined in Schedule 3 to the Act;
- (b) a public body established by enactment or in pursuance of statutory powers or by the authority of statute or a statutory scheme;
- (c) a body with whom there is in force an agreement which has been made in pursuance of Section 19 of the Enterprise and New Towns (Scotland) Act 1990 by Scottish Enterprise or Highlands and Islands Enterprise for the discharge by that body of any of the functions of Scottish Enterprise or, as the case may be, Highlands and Islands Enterprise; or
- (d) a body being a company:-
 - i. established wholly or mainly for the purpose of providing services to the Councillor's local authority; and
 - ii. which has entered into a contractual arrangement with that local authority for the supply of goods and/or services to that local authority.

OR

I declare an interest in item (x) for the following reasons.....and although the body is covered by a specific exclusion, the matter before the Committee is one that is quasi-judicial / regulatory in nature where the body I am a member of:

- is applying for a licence, a consent or an approval
- is making an objection or representation
- has a material interest concerning a licence consent or approval

- is the subject of a statutory order of a regulatory nature made or proposed to be made by the local authority.... and I will therefore withdraw from the meeting room during any discussion and voting on that item.

CITY GROWTH AND RESOURCES COMMITTEE

ABERDEEN, 19 June 2018. Minute of Meeting of the CITY GROWTH AND RESOURCES COMMITTEE. Present:- Councillor Lumsden, Convener; Councillor Graham, Vice-Convener; and Councillors Boulton, Cooke (as substitute for Councillor Dunbar for article 18), Councillor Donnelly, the Depute Provost, Jackie Dunbar, Flynn, Greig (as substitute for Councillor Yuill from article 18 onwards), Houghton (as substitute for Councillor Laing from articles 1 to 7 and article 20 and for Councillor Boulton for article 25), Laing, Nicoll, Townson (as substitute for Councillor Yuill for article 8, Councillor Flynn for article 25 and Councillor Dunbar for article 26), Wheeler (as substitute for Councillor Laing for article 8) and Yuill.

The agenda and reports associated with this minute can be found at:-
<https://committees.aberdeencity.gov.uk/ieListDocuments.aspx?CId=618&MId=6187>

Please note that if any changes are made to this minute at the point of approval, these will be outlined in the subsequent minute and this document will not be retrospectively altered.

DETERMINATION OF URGENT BUSINESS

1. The Convener had determined that the following items of business be considered as matters of urgency in terms of Section 50(B)(4)(b) of the Local Government (Scotland) Act 1973:-

- Item 7.1 – Notice of Motion by Convener – British Heart Foundation Letter;
- Item 9.11 – Public Request for Community Asset Transfer – Former Cadet Hut, The Bush, Peterculter;
- Item 9.12 – Hazlehead Pool Feasibility Inspection; and
- Item 10.9 – Funding Request – Balmoral Stadium.

The Committee resolved:-
to concur with the Convener.

DETERMINATION OF EXEMPT BUSINESS

2. The Convener proposed that the Committee consider items 10.1 (Pension Fund Guarantee Request), 10.2 (Aberdeen in Colour Project – Langstane Place), 10.3 (Creative Funding Grants Programme), 10.4 (Aberdeen Science Centre Bank Guarantee), 10.5 (Blackhills of Cairnrobin), 10.6 (Acquisition of 532 King Street), 10.7 (Council House Building Programme) and 10.9 (Funding Request – Balmoral Stadium) with the press and public excluded.

The Committee resolved:-

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in terms of Section 50(A)(4) of the Local Government (Scotland) Act 1973, to exclude the press and public from the meeting from item 10.1 of the agenda so as to avoid disclosure of information of the classes described in the following paragraphs of Schedule 7(A) to the Act:- articles 19, 20, 21 and 22 (paragraphs 4 and 6), articles 23, 24, 25 and 26 (paragraphs 6 and 9).

DECLARATIONS OF INTEREST

3. Members were requested to intimate any declarations of interest in respect of the items on today's agenda, thereafter, the following declarations of interest were intimated:-

- (1) the Convener declared an interest in item 10.3 (Creative Funding Grants Programme) by virtue of him being a Council appointed Director of North East Sensory Service, one of the organisations who had submitted an application which had been assessed by an external panel and had been awarded funding under the scheme of delegation, the outcome of which was presented to the Committee for information only. He considered the nature of his interest did not require him to leave the meeting and therefore chose to remain in the meeting for consideration of this item;
- (2) Councillor Yuill declared an interest in item 9.12 (Hazlehead Pool Feasibility Inspection) by virtue of being a Council appointed member of Robert Gordon's College Board of Governors, he considered that the nature of his interest required him to leave the meeting and he therefore took no part in the consideration of this item;
- (3) Councillor Yuill and Nicoll declared an interest in items 9.6 (Regional Quality Partnerships for Public Transport) and 9.8 (Aberdeen City Region Deal – Strategic Transport Appraisal Objectives) by virtue of them being Council appointed Board members of North East Scotland Transport Partnership, they considered that the nature of their interest did not require them to leave the meeting, they therefore chose to remain in the meeting for consideration of these items;
- (4) Councillor Houghton declared an interest in items 9.2 (Schoolhill Public Real Enhancement) and 10.4 (Aberdeen Science Centre Bank Guarantee) by virtue of being a Council appointed member of Robert Gordon's College Board of Governors, he considered that the nature of his interest required him to leave the meeting and he therefore took no part in the consideration of these items;
- (5) Councillors Boulton and Flynn declared an interest in item 10.7 (Council House Building Programme) by virtue of them being Council appointed Board members of Shaping Aberdeen Housing LLP. They considered that the nature of their interest required them to leave the meeting and they took no part in the consideration of this item; and
- (6) Councillor Dunbar declared an interest in item 10.9 (Funding Request – Balmoral Stadium) by virtue of her daughter being a football player for Cove Rangers

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Ladies Football Club, she considered that the nature of her interest required her to leave the meeting and therefore took no part in the consideration of this item.

MINUTE OF PREVIOUS MEETING OF 24 APRIL 2018 - FOR APPROVAL

4. The Committee had before it the minute of their previous meeting of 24 April 2018 for approval.

The Committee resolved:-

to approve the minute as a correct record.

COMMITTEE PLANNER

5. The Committee had before it the Business Planner prepared by the Chief Officer-Governance.

The Committee resolved:-

- (i) to remove the following items from the Business Planner in terms of the officer's explanations provided:- item 17 (Provision of a Technical Information Portal; item 43 (Development of Models for Civic Leadership and Engagement); and item 88 (Scottish Government Public Sector Pay Policy - Financing Options);
- (ii) to note the reasons for the reporting delays in terms of item 4 (Balnagask Motte Regeneration); item 7 (Local Housing Strategy); item 8 (Aberdeen City and Aberdeenshire Tourism Strategy); item 9 (Strategic Car Parking Review); item 12 (Joint Initiative for Vehicle Emissions (Jive 2) Report); item 14 (Capacities of Junctions Associated with the AWPR/B-T - NOM Cllr Boulton); item 15 (UNESCO Creative Cities Bid); item 16 (Performance Report); item 21 (Site at Beach Esplanade/King Street); and item 24 (Review on the Governance of the 365 Advisory Group and Aberdeen Festivals);
- (iii) that in relation to item 5 (2017 Christmas Village Evaluation) to instruct officers to circulate a Service Update following this meeting and to submit a report to the meeting of the Committee on 18 September 2018;
- (iv) that in relation to item 10 (One Stop Employability Shop) to instruct officers to submit a report to the meeting of the Committee on 18 September 2018;
- (v) that in relation to item 12 (Joint Initiative for Vehicle Emissions (Jive 2) Report) that the Director of Resources provide details to members of the Committee in terms of the current position of the initiative; and
- (vi) that in relation to item 16 (Performance Report), to note that a report would be submitted to the meeting of the Committee on 18 September 2018.

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MATTER OF URGENCY

The Convener accepted the following Notice of Motion as a matter of urgency in terms of Section 50(B)(4)(b) of the Local Government (Scotland) Act 1973 and in terms of Standing Order 12.9, as the letter from the British Heart Foundation was received following the publication of the initial agenda and the matter required to be expedited forthwith.

BRITISH HEART FOUNDATION - URGENT NOTICE OF MOTION BY CONVENER

6. In accordance with the decision recorded under article 1, the Committee had before it an urgent Notice of Motion by the Convener in the following terms:-

that the Committee:-

- (1) notes the attached letter from the British Heart Foundation Scotland;
- (2) instructs the Chief Operating Officer to write to Daniel Jones, Policy and Public Affairs Officer, British Heart Foundation Scotland to invite him to meet with Administration leaders to discuss how best Aberdeen City Council can bring forward proposals around delivering training to secondary school pupils on CPR;
- (3) instructs the Chief Officer – Corporate Landlord to submit a Service Update prior to the meeting of this committee on 27 November 2018 to confirm registration of defibrillators on council premises, in support of the Scottish Ambulance Services' national campaign; and
- (4) instructs the Chief Officer - Finance to set aside £5,000 from the Common Good account to help move these initiatives forward.

The Convener moved his Notice of Motion and explained the rationale behind it.

The Committee resolved:-

- (i) to note the attached letter from the British Heart Foundation Scotland;
- (ii) to instruct the Chief Operating Officer to write to Daniel Jones, Policy and Public Affairs Officer, British Heart Foundation Scotland to invite him to meet with Group leaders to discuss how best Aberdeen City Council can bring forward proposals around delivering training to secondary school pupils on CPR;
- (iii) to instruct the Chief Officer – Corporate Landlord to submit a Service Update prior to the meeting of this committee on 27 November 2018 to confirm registration of defibrillators on council premises, in support of the Scottish Ambulance Services' national campaign;
- (iv) to instruct the Chief Officer - Finance to set aside £5,000 from the Common Good account to help move these initiatives forward, with this being reflected in the quarterly financial reporting for 2018/19 and thereafter, to be considered as part of the budget process in future years; and
- (v) that officers circulate details of any CPR training currently being provided within schools for staff and/or pupils to all members of the Committee.

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REGIONAL ECONOMIC STRATEGY ACTION PLAN REFRESH - PLA/18/025

7. With reference to article 10 of the minute of meeting of Council of 16 December 2015, the Committee had before it a report by the Chief Officer – City Growth, which sought approval of the refreshed Action Plan for the 2015 Regional Economic Strategy.

The report recommended:-

that the Committee –

- (a) note the progress made since the publication of the 2015 Regional Economic Strategy; and
- (b) approve the refreshed Action Plan, provided as an Executive Summary attached as Appendix 1 to this report.

The Committee resolved:-

to approve the recommendations.

SCHOOLHILL PUBLIC REALM ENHANCEMENT - RES/18/029

8. With reference to article 19 of the minute of meeting of the Finance, Policy and Resources Committee of 7 June 2018, the Committee had before it a report by the Director of Resources, which sought approval for the implementation of the first stage of a public realm enhancement at Schoolhill.

The report recommended:-

that the Committee note the scheme's financial implications presented in Section 4 of the report and approve an allocation of £550,000 for the Schoolhill Public Realm Enhancement to be met from the Non-Housing Capital Programme.

The Convener, seconded by the Vice-Convener moved:-

to approve the recommendation contained within the report.

Councillor Nicoll, seconded by Councillor Dunbar, moved as an amendment:-

to instruct the Chief Officer – Strategic Place Planning to bring forward a comprehensive public realm enhancement design for the Schoolhill area together with the relevant Business Case detailing the works to be undertaken, the projected costs to be incurred and the timeline for completion of any works required and to report back to the relevant committees in early course. The business case should include a review of preliminary design options already prepared for the public realm enhancement of the Schoolhill area.

On a division, there voted:- for the motion (5) – the Convener, the Vice-Convener, and Councillors Boulton, Donnelly and Wheeler; for the amendment (4) – Councillors Dunbar, Flynn, Nicoll and Townson.

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The Committee resolved:-

to adopt the motion.

TORRY HEATNET PILOT PROJECT (TORRY PHASE 1A) - RES/18/022

9. With reference to article 3 of the minute of the Special Council meeting of 24 October 2016, the Committee had before it a report by the Director of Resources, which provided details in relation to investment proposals for the Torry Heatnet Pilot Project (Torry Phase 1A) and sought approval for the use of resources for their implementation.

The report recommended:-

that the Committee approve the utilisation of the previously allocated Council and Interreg North West Europe HEATNET project funding for this purpose.

The Committee resolved:-

to approve the recommendation.

MIDDLEFIELD/NORTHFIELD PLACE MAKING - RES/18/021

10. With reference to article 22 of the minute of meeting of the Finance, Policy and Resources Committee of 20 September 2017, the Committee had before it a report by the Director of Resources, which provided details on investment proposals in relation to Middlefield/Northfield Place-Making and sought approval for the use of resources for their implementation.

The report recommended:-

that the Committee -

- (a) approve acceptance of a grant of £270,096 from Scottish Natural Heritage: to undertake additional capital works in the Locality of Middlefield and Northfield;
- (b) note the recommendation that an additional allowance of £9415 per annum (plus an allowance for inflation) be made within future revenue budgets for the maintenance of these improvements in, and around, Heathryfold Park and Auchmill Wood, and instructs the Chief Officer - Corporate Landlord to submit this to the budget process for 2019/20;
- (c) approve acceptance of a grant of £64,668 from Scottish Natural Heritage: to extend the employment of the Middlefield Community Ranger to 30th September 2019 to work within the Locality of Middlefield and Northfield;
- (d) give advanced approval to accept an anticipated grant of £50,000 from Sustrans, to undertake surveys, consultations and develop the designs for further active travel improvements in the Locality of Middlefield and Northfield;
- (e) approve the expenditure of these grant allocations, from Scottish Natural Heritage and Sustrans;

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- (f) instruct the Director of Resources, in consultation with the Interim Chief Officer - Finance and Chief Officer - Commercial and Procurement Services, to confirm to their satisfaction that the terms and conditions of the grant funding can be met in relation to this offer of funding from Scottish Natural Heritage (see 4.1 below);
- (g) instruct the Chief Officer - Corporate Landlord to identify a responsible officer to monitor compliance with these grant conditions;
- (h) approve the preparation of Active Travel plans for the schools within this Locality (Manor Park, Bramble Brae, Heathryburn, West Park, Orchard Brae and Northfield Academy) (in consultation with the pupils) and approves the co-ordination of this consultation with the "I Bike" and "Northfield Cycle Maintenance" projects; and
- (i) approve the expenditure of grant funding so as to permit the preparation of Active Travel plans for the schools within this Locality.

The Committee resolved:-

to approve the recommendations.

WORLD ENERGY CITIES PARTNERSHIP - PLA/18/031

11. With reference to article 10 of the minute of the previous meeting of 24 April 2018, the Committee had before it a report by the Chief Officer – City Growth, which presented an appraisal of the submission by Aberdeen City Council to host the World Energy Cities Partnership AGM in September 2019.

The report recommended:-

that the Committee -

- (a) note the appraisal of the bid to host the World Energy Cities Partnership AGM in September 2019 and the anticipated costs and benefits; and
- (b) approve the Council's continued participation in the formal bidding process as set out in the report.

The Committee resolved:-

to approve the recommendations.

REGIONAL QUALITY PARTNERSHIP FOR PUBLIC TRANSPORT - PLA/18/009

12. With reference to article 30 of the minute of meeting of the Communities, Housing and Infrastructure Committee of 29 August 2017, the Committee had before it a report by the Interim Chief Officer – Strategic Place Planning, which sought approval for an overarching voluntary Regional Quality Partnership for Public Transport Agreement and to commit the Council to the Agreement.

The report recommended:-

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that the Committee -

- (a) approve for signature on behalf of the Council, the North East of Scotland Bus Alliance Quality Partnership Agreement 2018 in Appendix 1 of this report; and
- (b) note that a Service Update report would be circulated in September 2018 to update on targets and proposed action plan set by the Bus Alliance Board.

The Committee resolved:-

to approve the recommendations.

LOANS OF WORKS OF ART TO OVERSEAS VENUES - RES/18/039

13. The Committee had before it a report by the Director of Resources, which sought approval for officers to accompany works of art on loan to international venues.

The report recommended:-

that the Committee –

- (a) approve officer international travel to accompany works of art on loan as detailed in the International Loans Plan; and
- (b) delegate authority to the Chief Officer-City Growth, in consultation with the Chief Officer-Customer Experience, to authorise the travel necessary to implement the International Loans Plan.

The Committee resolved:-

to approve the recommendations.

ABERDEEN CITY REGION DEAL - STRATEGIC TRANSPORT APPRAISAL OBJECTIVES - PLA/18/035

14. The Committee had before it a report by the Interim Chief Officer – Strategic Place Planning, which outlined the outcomes of the Scottish Transport Appraisal Guidance (STAG) Pre-Appraisal undertaken as the first stage of a Strategic Transport Appraisal component of the Aberdeen City Region Deal.

The report recommended:-

that the Committee approve the draft interim Transport Planning Objectives identified in paragraph 3.8.2 and appendix 2 of the report and advise the Aberdeen City Region Deal Joint Committee of the approval, if given.

The Convener, seconded by the Vice-Convener moved:-

that the Committee:-

- (1) note the Aberdeen City Region Deal supports the development of a strategic transport appraisal to take a long-term strategic view of the transport

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- implications of the investment unlocked by this Deal across modes of transport including road and rail;
- (2) note that in order to realise the full potential of the area a transport appraisal will take a 20-year strategic view of the transport implications of the investment unlocked by this Deal across all modes including road and rail;
 - (3) note the scope of work will include addressing issues at key gateways into Aberdeen; enabling safe, reliable and attractive connections (road and public transport) along key strategic corridors which promote economic growth; tying together transport infrastructure and development planning/management, on a city/region basis; and facilitating the City Centre Masterplan; and
 - (4) agree the draft interim Transport Planning Objectives identified in Paragraph 3.8.2 and Appendix 2 and agrees to ask the Aberdeen City Region Deal Joint Committee to approve the interim Transport Planning Objectives and to write to the Scottish Government asking for dialogue on a City Region Deal 2.

Councillor Flynn, seconded by Councillor Yuill, moved as an amendment:-
that the Committee:-

- (1) approve (1) to (3) of the motion by the Convener above; and
- (2) agree the draft interim Transport Planning Objectives identified in Paragraph 3.8.2 and Appendix 2 and agrees to ask the Aberdeen City Region Deal Joint Committee to approve the interim Transport Planning Objectives and to write to the Scottish Government, UK Government and Aberdeenshire Council asking for dialogue on a City Region Deal 2.

On a division, there voted:- for the motion (5) – the Convener, the Vice-Convener and Councillors Boulton, Donnelly and Laing; for the amendment (4) – Councillors Dunbar, Flynn, Nicoll and Yuill.

The Committee resolved:-
to adopt the motion.

NEIGHBOUR AUDITS OF REGENERATION AREAS - PLA/18/034

15. With reference to article 35 of the minute of meeting of the Communities, Housing and Infrastructure Committee of 25 August 2016, the Committee had before it a report by the Chief Officer – City Growth, which outlined the findings of five neighbourhood audits carried out in the regeneration areas in Middlefield, Woodside, Tillydrone, Torry and Seaton, on behalf of Aberdeen City Council, as part of the Progress Through Positive Partnerships project, and to approve proposed actions to address points raised in those reports.

The report recommended:-

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that the Committee –

- (a) note the content of the five neighbourhood audit reports and overall report;
- (b) instruct the Chief Officer, City Growth, and the Chief Officer, Digital and Technology, (working with the Council's Digital Partner) to develop and implement an app which can be used by Council employees, partner agencies, and members of the public to access information about support services available to them;
- (c) instruct the Chief Officer, City Growth, to work with partner organisations to investigate the feasibility of running regular neighbourhood career and support sessions in the regeneration areas; and
- (d) instruct the Chief Officer, City Growth, and the Internal and External Communications Manager to work with partner agencies to develop and deliver a marketing strategy to promote the availability of training and support services across the city.

The Committee resolved:-

- (i) to approve recommendation (a) above;
- (ii) to instruct the Chief Officer, City Growth, and the Chief Officer, Digital and Technology, (working with the Council's Digital Partner) to develop and implement a digital solution which can be used by Council employees, partner agencies, and members of the public to access information about support services available to them;
- (iii) to note that following a refresh of Citizen Voice Panellists in 2017, approximately a third of respondents engage with Aberdeen City Council by paper. Instruct the Chief Officer – Customer Experience and the Internal and External Communications Manager to bring back to the November 2018 meeting of this Committee an options appraisal, which includes financial implications, as to how Aberdeen City Council can better interact with citizens using non-digital platforms to provide them with information about support services available to them;
- (iv) to instruct the Chief Officer – City Growth to work with partner organisations to investigate the feasibility of running regular neighbourhood career and employability support sessions in the regeneration areas as part of the ESF-funded project; and to liaise with other services as to how they may be able to benefit from such activity and build on it to provide support and assistance to people who may no longer be able to return to employment, and report the findings, including cost implications for the non-ESF funded elements, back to a future meeting of this Committee; and
- (v) to instruct the Chief Officer – City Growth and the Internal and External Communications Manager to work with partner agencies to develop and deliver a marketing strategy to promote the availability of training and employability support services across the city as part of the ESF-funded project; to liaise with other services as to how they may be able to benefit from such activity and build on it to include the support services available to people who may no longer be able to return to work; and report back to the November 2018 meeting of this Committee on the cost implications of the non-ESF funded elements of this.

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CITY CENTRE LIVING - RES/18/027

16. With reference to article 3 of the minute of meeting of the Finance, Policy and Resources Committee of 7 December 2016, the Committee had before it a report by the Director of Resources, which provided details on the City Centre Living Strategy.

The report recommended:-

that the Committee –

- (a) note the City Centre Living Strategy;
- (b) instruct the Chief Officer – Corporate Landlord to consult with the local business community, developers and other key stakeholders on the City Centre Living Strategy; and
- (c) instruct the Director of Resources to report back to the 18 September 2018 meeting of this committee on the result of the consultation in conjunction with the current market engagement with landowners in Aberdeen in relation to proposals for the construction of Council housing as agreed by the Strategic Commissioning Committee on 30 April 2018.

The Convener, seconded by the Vice-Convener, moved:-

that the Committee:-

- (1) note the City Centre Living Strategy;
- (2) note the approach taken by Edinburgh City Council in encouraging residential development in the city centre through promoting development opportunities;
- (3) agree Aberdeen City Council is committed to delivering and enabling the delivery of a vast amount of development and infrastructure in the city and requires continued commitment from other sectors, including the private sector, to support much needed development;
- (4) request that the report being submitted to the City Growth and Resources Committee in September 2018 will include the detail and implications of including Denburn Valley as one of the areas of development opportunity;
- (5) instruct the Chief Officer – Corporate Landlord to consult with the local business community, developers and other key stakeholders on the City Centre Living Strategy on the basis of 3.18 to 3.24 of the report; and
- (6) instruct the Director of Resources to report back to the 18 September 2018 meeting of this Committee on the result of the consultation in conjunction with the current market engagement with landowners in Aberdeen in relation to proposals for the construction of Council housing as agreed by the Strategic Commissioning Committee on 30 April 2018.

Councillor Nicoll, seconded by Councillor Dunbar, moved as an amendment:-

that the Committee:-

- (1) note the City Centre Living Strategy;

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- (2) note the approach taken by Edinburgh City Council in encouraging residential development in the city centre through promoting development opportunities;
- (3) agree Aberdeen City Council is committed to delivering and enabling the delivery of an appropriate amount of development and infrastructure in the city and requires continued commitment from other sectors, including the private sector, to support much needed development;
- (4) request that the report being submitted to the City Growth and Resources Committee in September 2018 will include the detail and implications of including Denburn Valley as one of the areas of development opportunity;
- (5) instruct the Chief Officer - Corporate Landlord to consult with the Local Business Community Developers and key stakeholders on the City Centre Living Strategy with the exception of the proposals to introduce a moratorium on developer obligations and a moratorium on contributions to affordable or social housing;
- (6) Instruct the Director of Resources to report back to the 18 September 2018 meeting of this committee on the result of the consultation in conjunction with the current market engagement with landowners in Aberdeen in relation to proposals for the construction of Council housing as agreed by the Strategic Commissioning Committee on 30 April 2018; and
- (7) instructs the Chief Officer Corporate Landlord to undertake an options appraisal for measures to be considered that would mitigate some of the perceived obstacles to city centre living for home owners and tenants at present in Aberdeen contained within the report.

On a division, there voted:- for the motion (5) – the Convener, the Vice-Convener and Councillors Boulton, Donnelly and Laing; for the amendment (4) – Councillors Dunbar, Flynn, Nicoll and Yuill.

The Committee resolved:-

- (i) to adopt the motion; and
- (ii) that in relation to Retail and Leisure Offering on page 10 of the report prepared by Savills (page 364 of the agenda), to request that officers circulate further details regarding the sample sizes and demographics in terms of the survey.

MATTER OF URGENCY

The Convener accepted the following Notice of Motion as a matter of urgency in terms of Section 50(B)(4)(b) of the Local Government (Scotland) Act 1973 as the sale was less than market value.

CITY GROWTH AND RESOURCES COMMITTEE

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REQUEST FOR COMMUNITY ASSET TRANSFER - FORMER CADET HUT, THE BUSH, PETERCULTER - RES/18/053

17. The Committee had before it a report by the Director of Resources which provided details of an approach from Culter and District Mens Shed for the transfer of the former Cadet Hut in Peterculter for conversion by the community to a Mens Shed.

The report recommended:-

that the Committee –

- (a) approve in principle the transfer of the Former Cadet Hut, the Bush, Peterculter to Culter and District Mens Shed (PDMS) at below Market Value; and
- (b) provide delegated powers to the Chief Officer - Corporate Landlord to undertake the necessary due diligence and if satisfied instruct the Chief Officer - Governance to conclude the sale at the value offered by the Culter and District Mens Shed, incorporating other terms as necessary to protect the Council's interest.

The Committee resolved:-

to approve the recommendations.

MATTER OF URGENCY

The Convener accepted the following Notice of Motion as a matter of urgency in terms of Section 50(B)(4)(b) of the Local Government (Scotland) Act 1973 as the instruction from the Capital Programme Committee on 23 May 2018 was to report to the meeting today.

DECLARATION OF INTEREST

Councillor Cooke declared an interest in the following item of business by virtue of his position as a council appointed Board member of Sport Aberdeen, he considered that the nature of his interest did not require him to leave the meeting during consideration of the item.

HAZLEHEAD POOL FEASIBILITY INSPECTION - RES/18/055

18. With reference to article 4 of the minute of meeting of the Capital Programme Committee of 23 May 2018, the Committee had before it a report by the Director of Resources, which provided details of a Notice of Motion by Councillor Jennifer Stewart relating to a feasibility inspection on the future use of the Hazlehead Swimming Pool site.

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The report recommended:-

that the Committee take no further action in relation to re-opening Hazlehead Pool.

The Convener, seconded by the Vice-Convener, moved:-

that the Committee approve the recommendation contained within the report.

Councillor Greig, seconded by Councillor Cooke moved as an amendment:-

that the Committee:-

- (1) agree to reopen Hazlehead Pool permanently, subject to officers undertaking a further investigation to identify appropriate funding, and instructs the Chief Officer - Corporate Landlord to report to the meeting of this Committee on 18th September 2018 providing a business case and timetable and instruct the Chief Officer – Finance as part of that report to identify potential sources of funding so that the pool can be reopened as soon as possible; and
- (2) request funding of up to £50,000 to meet the cost of the business case, to be met from Corporate Contingency budget.

On a division, there voted:- for the motion (5) – the Convener, the Vice-Convener and Councillors Boulton, Donnelly and Laing; for the amendment (4) – Councillors Cooke, Flynn, Greig and Nicoll.

The Committee resolved:-

to adopt the motion.

In accordance with the decision recorded under article 2 of this minute, the following items of business were considered with the press and public excluded.

DECLARATION OF INTEREST

Councillor Donnelly declared an interest in the following item of business by virtue of his position as a council appointed member of the Pensions Committee, he considered that the nature of his interest did not require him to leave the meeting during consideration of the item.

PENSION FUND GUARANTEE REQUEST - RES/18/036

19. With reference to article 32 of the minute of meeting of the Finance, Policy and Resources Committee of 15 September 2015, the Committee had before it a report by the Director of Resources which sought consideration of a request received from

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19 June 2018

admitted bodies of the North East Scotland Pension Fund for Aberdeen City Council to become a guarantor for their pension fund liabilities.

The report recommended:-

that the Committee approve that Aberdeen City Council act as guarantor for the organisation named in the report in respect of their North East Scotland Pension Fund liabilities.

The Committee resolved:-

to approve the recommendation.

DECLARATION OF INTEREST

Councillor Laing declared an interest in the following item of business by virtue of her position as a council appointed Board member of Aberdeen Inspire, she considered that the nature of her interest required her to leave the meeting and she took no part in the consideration of the item. Councillor Houghton substituted for Councillor Laing.

ABERDEEN IN COLOUR PROJECT - LANGSTANE PLACE - RES/18/035

20. With reference to article 21 of the minute of meeting of the Finance, Policy and Resources Committee of 1 February 2018, the Committee had before it a report by the Director of Resources which sought the payment of a grant to Aberdeen Inspired as a contribution to Aberdeen in Colour project – Langstane Place.

The report recommended:-

that the Committee –

- (a) approve a funding contribution to Aberdeen Inspired of the sum identified within the report for the Aberdeen in Colour project – Langstane Place from the City Centre Masterplan budget within the non-housing capital programme; subject to (i) Aberdeen Inspired obtaining the appropriate planning consents and permissions for the project (excluding the pedestrian priority on Langstane Place which is not a precondition to funding); and (ii) the fulfilment of recommendation (b); and
- (b) delegate authority to the Head of Commercial and Procurement in consultation with the Chief Officer of Capital to issue a funding letter to Aberdeen Inspired to ensure the proper use of the funding contribution and to agree a satisfactory scheme of maintenance for in the lighting installation.

The Committee resolved:-

to approve the recommendations.

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19 June 2018

CREATIVE FUNDING GRANTS PROGRAMME – PLA/18/027

21. The Committee had before it a report by the Chief Officer – City Growth which presented applications to Creative Funding and Year of Young People Creative Funding to allow a final funding decision to be made.

The report recommended:-

that the Committee –

- (a) considers the applications for Creative Funding and Year of Young People Creative Funding highlighted within the report and agree that no award should be made; and
- (b) note the awards that have been made under the Scheme of Delegation, which are detailed in Appendix 4 of the report and the process of allocating the remaining funds.

The Convener, seconded by the Vice-Convener, moved:-

that the Committee approve the recommendations contained within the report.

Councillor Greig, seconded by Councillor Nicoll, moved as an amendment:-

that the Committee –

- (1) in relation to the application from the organisation at 3.4.2 in the report, instructs the Chief Officer – City Growth to discuss with the organisation what practical or financial support the council could provide to the new festival and in conjunction with the Chief Officer – Finance provide such financial, practical or “in kind” support for this festival up to a value of £10,000 to be met from the remaining budget as identified in this report as deemed justified by both Chief Officers; and
- (2) otherwise approve the recommendations in the report.

On a division, there voted:- for the motion (5) – the Convener, the Vice-Convener and Councillors Boulton, Donnelly and Laing; for the amendment (4) – Councillors Dunbar, Flynn, Greig and Nicoll.

The Committee resolved:-

to adopt the motion.

ABERDEEN SCIENCE CENTRE BANK GUARANTEE - CUS/18/014

22. With reference to article 49 of the minute of meeting of the Finance, Policy and Resources Committee of 9 March 2017, the Committee had before it a report by the Chief Operating Officer which sought approval for entering into a new three-year Bank Guarantee arrangement with Bank of Scotland in support of Aberdeen Science Centre’s financial position, linked to the establishment of a renewed Strategic Partnership Agreement between the Council and Aberdeen Science Centre.

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The report recommended:-

that the Committee approves entry by the Council into a new Bank Guarantee arrangement with Bank of Scotland, in support of Aberdeen Science Centre's overdraft and card guarantee facility, at a reduced level of the sum outlined in the report at 5.2.2, from 1st April 2018 to 31st March 2021.

The Committee resolved:-

to approve the recommendation.

BLACKHILLS OF CAIRNROBIN - RES/18/046

23. With reference to article 6 of the minute of meeting of the Property Sub Committee of 17 November 2015, the Committee had before it a report by the Director of Resources which provided an update on discussions with the local community regarding a potential Community Asset transfer of part of the development site at Cairnrobin and to recommend disposal of the whole development site.

The report recommended:-

that the Committee –

- (a) note the current position regarding discussions with the Community Group in relation to a potential Community Asset Transfer; and
- (b) recommend that the Chief Officer - Governance be instructed to conclude missives for the disposal of the larger site to the subjects identified within the report incorporating various appropriate qualifications as are necessary to protect the Council's interests.

ACQUISITION OF 532 KING STREET - RES/18/045

24. The Committee had before it a report by the Director of Resources which sought approval for the acquisition of the subjects at 532 King Street, Aberdeen.

The report recommended:-

that the Committee –

- (a) approve the proposed acquisition of the subjects at 532 King Street, Aberdeen; and
- (b) instruct the Chief Officer - Governance to conclude missives for the acquisition of the subjects incorporating various appropriate qualifications as are necessary to protect the Council's interests.

The Committee resolved:-

to approve the recommendations.

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COUNCIL HOUSE BUILDING PROGRAMME - RES/18/034

25. The Committee had before it a report by the Director of Resources which proposed business cases for delivery of 2,000 new Council houses and acquisition of ex-Council houses.

The report recommended:-

that the Committee –

- (a) authorise the Director of Resources to prepare business cases in relation to the following sites for the Council House Building Programme as listed in Appendix 1;
- (b) note the balance of the Council House Building Programme is expected to be delivered by the purchase of new build units from private landowners / developers;
- (c) notes that the £3million capital budget, agreed by the Council at its meeting on 15th March 2017, will continue to be used for meeting the initial development costs and will be picked up through the individual financial models for each site;
- (d) subject to approval of recommendation (a) above:-
 - (1) agree to delegate authority to the Director of Resources, following consultation with the Convener and Vice-Convener of the City Growth and Resources Committee, to approve financial models for each project; including finalising sources and levels of funding (Council / HRA borrowing, Council 2nd Homes Grants, Scottish Government Grant, affordable housing developer contributions etc), prior to the awarding of any contracts, subject to each of the financial models being self- financing; and
 - (2) agree to delegate authority to the Director of Resources, following consultation with the Chief Officer - Corporate Landlord and Chief Officer - Governance, to agree the value of the sites for transfer from the Common Good and General Services accounts to the HRA account (and to make the transfers), and the purchase price of new build units from land owners / developers (and to make the purchases), and to seek Scottish Government consents as may be necessary;
- (e) instruct the Chief Officer - Corporate Landlord to market the HRA site at East Woodcroft, Bridge of Don, based on its existing Planning status with a 25% affordable housing element with the resulting capital receipt being available to meet the due diligence and design costs already incurred with the balance to support the Council House Building Programme;
- (f) note that further reports will be submitted to the Strategic Commissioning Committee seeking delegated authority for tendering and contract awards for the sites listed at recommendation (a) above; and
- (g) agree to delegate authority to the Director of Resources, following consultation with the Convener and Vice-Convener of the City Growth and Resources Committee, to update the current policy and procedures for acquisition of ex-Council housing properties, to agree the purchase price of qualifying properties following consultation with the Chief Officer - Corporate Landlord and Chief Officer - Governance, to make the property purchases (subject to the agreement

CITY GROWTH AND RESOURCES COMMITTEE

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of the respective owners) and to seek Scottish Government consents as may be necessary.

The Committee resolved:-

to approve the recommendations.

MATTER OF URGENCY

The Convener accepted the following Notice of Motion as a matter of urgency in terms of Section 50(B)(4)(b) of the Local Government (Scotland) Act 1973 as expenditure required approval.

FUNDING REQUEST - BALMORAL STADIUM - RES/18/052

26. The Committee had before it a report by the Director of Resources which provided information of an approach by a company for financial support towards a development.

The report recommended:-

that the Committee –

- (a) reject the request for further grant support towards the development;
- (b) approve in principle the request to enter into a commercial loan agreement with the company for the finance necessary to complete their development as identified in the report; and
- (c) if recommendation (b) is acceptable to the Committee instruct to the Chief Officer – Finance to agree the detailed terms of the loan and instruct the Chief Officer – Commercial and Procurement and the Chief Officer - Governance to enter into such an agreement incorporating terms as necessary, including securities, to conclude the agreements to protect the Council's interests.

The Committee resolved:-

to approve the recommendations.

- COUNCILLOR DOUGLAS LUMSDEN, Convener

CITY GROWTH AND RESOURCES COMMITTEE
19 June 2018

CITY GROWTH AND RESOURCES COMMITTEE

1 August 2018

ABERDEEN, 1 August 2018. Minute of Meeting of the CITY GROWTH AND RESOURCES COMMITTEE. Present:- Councillor Lumsden, Convener; Councillor Graham, Vice-Convener; and Councillors Boulton, Jackie Dunbar, Grant (as substitute for Councillor Donnelly, the Depute Provost), Greig (as substitute for Councillor Yuill), Laing, McLellan (as substitute for Councillor Flynn) and Nicoll.

DECLARATIONS OF INTEREST

1. There were no declarations of interest intimated.

COUNCIL FINANCIAL PERFORMANCE - QUARTER 1, 2018/19 - RES/18/056

2. The Committee had before it a report by the Director of Resources which provided the financial position of the Council, as at Quarter 1 (April – June 2018) and the full year forecast position for the financial year 2018/19, including (1) General Fund and Housing Revenue Account (HRA) revenue and capital accounts and the associated Balance Sheet; and (2) Common Good Revenue Account and Balance Sheet.

The report recommended:-

that the Committee –

- (a) note the following:-

- (i) General Fund and HRA financial performance as detailed in Appendix 1;
- (ii) Common Good financial performance as detailed in Appendix 3;
- (iii) General Fund forecast revenue position as detailed in Appendix 2;
- (iv) HRA forecast revenue position as detailed in Appendix 2;
- (v) General Fund updated five-year capital position as detailed in Appendix 2;
- (vi) HRA forecast capital position as detailed in Appendix 2;
- (vii) Common Good forecast revenue position as detailed in Appendix 1; and
- (viii) Group Entities forecast revenue position as detailed in Appendix 4; and

- (b) agree the following, further details of which are provided in Appendix 2 of the report:-

General Fund Revenue

- (i) Instruct the Chief Officer - Finance to work with the organisation, using their influence as appropriate, to ensure the budget position agreed by the Council is adhered to.

The Committee resolved:-

- (i) to approve the recommendations; and

CITY GROWTH AND RESOURCES COMMITTEE
1 August 2018

- (ii) that officers circulate to members of the Committee, a comparison of the Short Term Debtors balance in June 2018 to that in the previous year.
- **COUNCILLOR DOUGLAS LUMSDEN, Convener.**

	A	B	C	D	E	F	G	H	I
1	CITY GROWTH AND RESOURCES COMMITTEE BUSINESS PLANNER The Business Planner details the reports which have been instructed by the Committee as well as reports which the Functions expect to be submitting for the calendar year.								
2	Report Title	Minute Reference/Committee Decision or Purpose of Report	Update	Report Author	Chief Officer	Directorate	Terms of Reference	Delayed or Recommended for removal or transfer, enter either D, R, or T	Explanation if delayed, removed or transferred
3	18 September 2018								
4	Unrecoverable Debt	This report advises numbers and values of Council tax, business rates and housing benefit overpayments made unrecoverable during 2017/18 as required in terms of Financial Regulations 5.3.4.	On Agenda	Wayne Connell	Customer	Customer	1.2		
5	VisitAberdeenshire Destination Aberdeen & Aberdeenshire Tourism Strategy 2018 - 2023	To note the new tourism strategy for the city and region	On Agenda	Richard Sweetnam	City Growth	Place	2.2 & 2.3	D	This was originally due in June, however officers awaited the VisitAberdeenshire new tourism strategy and completed action plan before reporting to Committee.
6	Strategic Car Parking Review	To advise of the outcome of the Strategic Car Parking Review and to make recommendations for future actions.		Joanna Murray/David Dunne	Strategic Place Planning	Place	2.2, 2.3, 3.1, 3.2, 3.3	R	The report is recommended for removal. It will be considered in context of the Roads Hierarchy Study, the Low Emissions Zone project and a number of other ongoing transport related projects, all of which are interrelated.
7	Capacities of Junctions Associated with the AWPR/B-T - NOM Cllr Boulton	Council 15/03/17 - The Council accepted the terms of the motion as follows "To instruct the Chief Executive to liaise formally with the AWPR/B-T funding partners to provide a report to the Communities, Housing and Infrastructure Committee before the end of 2017 in respect of the capacities of the junctions associated with the AWPR/B-T within the Aberdeen City boundary. This information is essential in determining if there are sufficient capacities for existing traffic and for future development within the Aberdeen City boundary."	Now due at November Meeting	John Wilson	Strategic Place Planning	Place	2.2	D	This was originally due to be reported at the June meeting. Following consultation with the AWPR/B-T Technical Advisor, leading up towards the September committee, the AWPR/B-T Managing Agent advised that in light of the Technical Advisor's prioritisation of workload, the technical report is not complete.

	A	B	C	D	E	F	G	H	I
	Report Title	Minute Reference/Committee Decision or Purpose of Report	Update	Report Author	Chief Officer	Directorate	Terms of Reference	Delayed or Recommended for removal or transfer, enter either D, R, or T	Explanation if delayed, removed or transferred
2									
8	Aberdeen City Local Housing Strategy 2018 - 2023	To present the Local Housing Strategy for approval.	On Agenda	Mel Booth	Strategic Place Planning	Place	Purpose 4 & 5	D	This was due to be reported at the June Committee, however officers were still waiting for the peer review feedback from the Scottish Government.
9	Annual Report on Economic Panel	To present the annual review as per the Committee's TOR.	Now due at November 2018 Meeting	Richard Sweetnam	City Growth	Place	2.1	D	Delayed to November Meeting. The annual report is being drafted and prepared by the Panel supported by officers. It is likely that the Panel will launch its report after the City Growth & Resources Committee of 18 September. Therefore officers will bring their report to the Committee at the next available opportunity.

	A	B	C	D	E	F	G	H	I
	Report Title	Minute Reference/Committee Decision or Purpose of Report	Update	Report Author	Chief Officer	Directorate	Terms of Reference	Delayed or Recommended for removal or transfer, enter either D, R, or T	Explanation if delayed, removed or transferred
2									
15	Building Performance Policy	CH&I Committee 2017 agreed to instruct officers within Communities, Housing and Infrastructure to undertake scrutiny of policy compliance and report back to committee with an annual review and progress report in 12 months, envisaged to be May 2018.	A service Update was circulated on 30 August 2018. Report scheduled for May 2019	David Dunne	Strategic Place Planning	Place		D	As this policy could only be applied to projects at concept stage, projects have not advanced enough to assess the policy's effectiveness. Work is ongoing with services to assess any changes which may be required to the policy, however a service update will be provided in the interim (circ 30/08/18).
16	Performance Report	To provide Committee with an update in regards to performance.	On Agenda	Alex Paterson	Business Intelligence	Commissioning	Purpose 1	D	This was due to be reported at the June Committee, however the Council's performance reporting arrangements were being reviewed and realigned to the revised Committee structure. A report will be submitted after Summer.

	A	B	C	D	E	F	G	H	I
	Report Title	Minute Reference/Committee Decision or Purpose of Report	Update	Report Author	Chief Officer	Directorate	Terms of Reference	Delayed or Recommended for removal or transfer, enter either D, R, or T	Explanation if delayed, removed or transferred
2									
19	Balnagask Motte Regeneration	CH&I on 16/1/18 agreed to (i) to withdraw the report from today's agenda; and (ii) to instruct the Head of Land and Property Assets to further review the legal and financial implications of the report prior to it being re-submitted to Committee for decision making.	Now due at November 2018 Meeting	Bill Watson	Corporate Landlord	Resources	Remit 1.1	D	A report was originally due at the June meeting as further information had been provided by the legal team in respect of various transfers of ownership between different Services, further work is required to fully interpret this information.
20	Aberdeen City's Strategic Housing Investment Plan 2019-2024	To approve the Strategic Housing Investment Plan 2019 - 2024	On Agenda	Mel Booth	Strategic Place Planning	Place	Purpose 4 & 5		
21	Aberdeen City's Affordable Housing Delivery Programme	To provide an update on affordable houses completed in 2017/18 and those expected to be completed in 2018/19. An update on current financial position of contributions for affordable housing obtained through sec 75 arrangements with developers. An update on the current financial position in relation to income received from the reduction in the Council Tax Discount for Second Homes and Long Term Empty Properties. To seek approval to spend Section 75 and Council Tax funds to contribute towards the delivery of affordable housing across the city.	On Agenda	Mel Booth	Strategic Place Planning	Place	Purpose 4 & 5		
23	Employability One Stop Shop	To approve the submission of a formal request to extend the European Social Fund supported Progress through Positive Partnerships project to 2022 and allocate appropriate resources to support this extension (subject to the annual budget cycle); and to note the update on the proposed employability one-stop shop. At its meeting on 19 June 2018, the CG&R Committee agreed to receive a report at its meeting in September 2018.	This report on employability provision includes an update, as requested by Committee on 19 June 2018, on the employability one-stop shop proposal. On Agenda	Matt Lockley	City Growth	Place	2.3		

	A	B	C	D	E	F	G	H	I
	Report Title	Minute Reference/Committee Decision or Purpose of Report	Update	Report Author	Chief Officer	Directorate	Terms of Reference	Delayed or Recommended for removal or transfer, enter either D, R, or T	Explanation if delayed, removed or transferred
2									
27	Creative Funding Grants Programme	Seek approval to not award grants of £10,000 or less under the Scheme of delegation and to seek approval for awards over £10,000	On Agenda	Mark Bremner	City Growth	Place	1.3.7		
28	External Funding & Partnerships	This purpose of this report is to seek approval to enter into grant agreements for external funding opportunities through the Interreg North West Europe (NWE) programme which develop key Regional Economic Strategy priorities.	On Agenda	Laura Paterson	City Growth	Place	Purpose 1		
29	Alive at 5 – Off-Street Parking Proposals	To seek approval from committee to vary the off-street parking payment structure of four off-street car parks in line with the "Alive @5" scheme, resulting in an estimated reduction in parking income.	Also reported to the Operational Delivery Committee to seek approval to vary the operational hours of four off-street car parks in line with the "Alive @ 5" scheme - On Agenda	Ross Stevenson	Operations and Protective Services	Operations	1.2,1.3 & 2.2		
30	Finance for Business	To report on the Council's engagement with the Business Loans Scotland initiative and to seek approval for the criteria and process for the Cooperative Business Development Fund.	On Agenda	Matt Lockley/ Andrew Stephen	City Growth	Place	2.3		
31	Middlefield Regeneration	CH&I on 16/1/18 agreed to instruct the Head of Land and Property Assets to openly market the site in accordance with Aberdeen City Council's aspirations and report back with the outcome to a future and appropriate Committee in due course.	This was originally going to be reported in November 2018, however a report is ready to be presented earlier to the September meeting	Neil Strachan/ Martin Smith	Corporate Landlord	Resources	3.3		
32	Disposal of the former Cordyce School site	To advise members of the outcome of the marketing exercise and recommend appropriate offer to accept.		Neil Strachan	Corporate Landlord	Resources	3.3		
33	Disposal of Land, Devil's Den, Woodside	To advise members of the request to amend the disposal price from the preferred bidder and seek their approval to the amended terms of the transaction. The disposal was originally reported to the Property Sub Committee on 26 May 2015.	On Agenda	Neil Strachan	Corporate Landlord	Resources	3.3		

	A	B	C	D	E	F	G	H	I
	Report Title	Minute Reference/Committee Decision or Purpose of Report	Update	Report Author	Chief Officer	Directorate	Terms of Reference	Delayed or Recommended for removal or transfer, enter either D, R, or T	Explanation if delayed, removed or transferred
2									
34	Site at King Street/Beach Esplanade (OP85)	For Committee to consider recommendations for the new ground lease	This was originally going to be reported in November 2018, however a report is ready to be presented earlier to the September meeting - A Service Update was circulated on 19 June 2018 - On Agenda	Louisa Ratana Arporn	Corporate Landlord	Resources	1.5 and 3.3		
35	Christmas Village 2017 Feedback	Under the Service Level Agreement and debate at the June 2018 City Growth & Resources Committee, annual feedback to be provided by Aberdeen Inspired, the organiser of the Christmas Village.	On Agenda	Dawn Schultz	City Growth	Place	2.3 & 3.2		
36	Option for the Old AECC	To provide Committee with an update on the plans for the old AECC site when the venue moves to the new site next year. To seek approval for the potential disposal of part of the site.		Neil Strachan	Corporate Landlord	Resources	3.3		
37	Community Asset Transfer – Seaton Huts and Depot	To seek Committee's approval to the proposed Community Asset Transfer of the above property.	On Agenda	Neil Strachan	Corporate Landlord	Resources	3.3		
38	Wellington Road Multimodal Corridor Study	To advise Members of the outcomes of the Wellington Road Multimodal Corridor Study Scottish Transport Appraisal Guidance (STAG) Part 1 Report, and to gain approval to proceed to STAG 2 Appraisal.	On Agenda	Will Hekelaar	Strategic Place Planning	Place	2.2		
39	Conditions and Suitability Programme	To present the rolling programme to define projects to upgrade the condition and suitability of current estate.	On Agenda	Alastair Reid	Corporate Landlord	Resources	Purpose 4		
40	New Schools Development Programme 2018	to seek approval for the submission of planning applications for each site, detailed discussion with landowners to transfer or purchase title as required and to allocate funding from Capital Funding/ Developers Contributions to undertake detailed design works for each of the projects	Also reported to the Capital Programme Committee on 12 September 2018 and Strategic Commissioning Committee on 13 September 2018	Stephen Booth	Corporate Landlord	Resources	1.2		
41			31 October 2018 (Special)						

	A	B	C	D	E	F	G	H	I
	Report Title	Minute Reference/Committee Decision or Purpose of Report	Update	Report Author	Chief Officer	Directorate	Terms of Reference	Delayed or Recommended for removal or transfer, enter either D, R, or T	Explanation if delayed, removed or transferred
2									
42	Council Financial Performance - Quarter 2, 2018/19	To present the Council's financial position for the quarter.		Lesley Fullerton	Finance	Resources	1.3		
43			27 November 2018						
44	City Events 2019/20	To present the events programme for approval.		Dawn Schultz	City Growth	Place	Purpose 6		
45	Joint Initiative for Vehicle Emissions (Jive 2) Report	To seek approval to deploy a further ten H2 buses. At the meeting on 19 June 2018, the Committee agreed to receive a Service Update on the present situation with Jive 2.	A Service Update was circulated.	Yasa Ratnayake/ Laura Paterson	City Growth	Place	Remit 1.3.4	R	The Jive 2 project has not secured external funding and has not gone through ACC's Governance process and is recommended to be removed
46	Energy Plan for Aberdeen	CH&I Committee on 16/1/18 agreed to instruct the Interim Director of Communities, Housing and Infrastructure to report back to CH&I Committee when the energy plan is complete.			Strategic Place Planning	Place	Purpose 6 and Committee Decision		
47	Fairtrade Resolution	Reporting the biennial review of the Fairtrade Resolution and seeking approval of the Resolution		Sinclair Laing	Strategic Place Planning	Place	GD 7.1		
48	Asset Management Plan (including school estate and housing stock)	To present the asset management plan (including school estate and housing stock) for approval.			Corporate Landlord	Resources	3.1		
49	Credit Review Rating Annual Report	To present the outcome of the annual review of credit rating by Moody's.	Now due at February 2019 meeting	Sandra Buthlay	Finance	Resources	1.3	D	Confirmation of the date for the annual assessment meeting with Moody's is in progress with the indications at present being an early November date which will result in this report being delayed.

	A	B	C	D	E	F	G	H	I
	Report Title	Minute Reference/Committee Decision or Purpose of Report	Update	Report Author	Chief Officer	Directorate	Terms of Reference	Delayed or Recommended for removal or transfer, enter either D, R, or T	Explanation if delayed, removed or transferred
2									
57	Service Income Policy	To seek approval of the Service Income Policy.		Carol Smith	Finance	Resources	GD 7.1	D	This was due to be reported to the September meeting, however it was delayed to November committee to allow any relevant findings from the Debtors System internal audit to be incorporated into the policy.
58	Corporate Debt Policy	To seek approval of the Corporate Debt Policy		Carol Smith	Finance	Resources	GD 7.1	D	This report was originally due to be presented to the meeting in February 2019 but will now be reported to the meeting in November 2018 instead.
59	External Transportation Links to Aberdeen South Harbour Pre-Appraisal and STAG Part 1 Study	This report will advise Members of the outcomes of the Scottish Transport Appraisal Guidance (STAG) Pre and STAG Part 1 Appraisal that have been submitted by Peter Brett Associates consultants for External Links to Aberdeen South Harbour.		Nathan Thangaraj	Strategic Place Planning	Place	2.3		
60	A96 Collective Travel Study	To inform committee of proposed projects and measures		Kevin Pert	Strategic Place Planning	Place	2.3		
61	Extending Employability Provision	To seek approval for an extension to the Progress through Positive Partnerships programme and associated funding requirements until December 2022		Matt Lockley	City Growth	Place	2.3		
62	External Funding Plan	To seek approval of the external funding plan; to note the success of the funding team for 17/18 and to note the implications of Brexit on future funding opportunities		Susan Fraser	City Growth	Place	Purpose 1		

	A	B	C	D	E	F	G	H	I
	Report Title	Minute Reference/Committee Decision or Purpose of Report	Update	Report Author	Chief Officer	Directorate	Terms of Reference	Delayed or Recommended for removal or transfer, enter either D, R, or T	Explanation if delayed, removed or transferred
2	City Centre Masterplan Project EN10: Union Terrace Gardens - Outline Design, Business Case, Development Costs and Procurement Strategy	Council on 15/3/17 agreed to instruct the Head of Economic Development to submit a report to the first available FP&R Committee with recommendations on the preferred contractor from the procurement exercise and the final costs of the scheme. At its meeting of 20 Sept 2017, the FP&R Committee agreed to transfer this item to the Council Business Statement	Multiple committee report to be submitted to Capital Programme Committee, Strategic Commissioning Committee will and City Growth and Resources Committee. The report will (1) seek approval of the detailed design of the project and business case from the Capital Programme Committee; (2) seek approval of the preferred contractor from the Strategic Commissioning Committee; and (3) seek approval of the final costs to be met from within the budget approved by Council on 15 March 2017 from the City Growth and Resources Committee.	Richard Sweetnam/ Andrew Win	City Growth	Place	Council Decision	D	Was originally to be reported to September 2018 meeting, however due to the level of bidder interest in the construction tender, we are required to extend the tender period to allow the bidders to finalise their responses. This means that the final costs and preferred contractor won't be known until mid-October. Therefore, a multiple committee report will be presented to CPC on 14 November, SCC on 20 November and CG&R on 27 November 2018.
65	Travel Policy	To present the revised travel policy for approval.	The report will also be considered by the Staff Governance Committee at their meetin in November.	Carol Smith	Finance	Resources	Purpose 1		
66	Balnagask Motte Regeneration	CH&I on 16/1/18 agreed to (i) to withdraw the report from today's agenda; and (ii) to instruct the Head of Land and Property Assets to further review the legal and financial implications of the report prior to it being re-submitted to Committee for decision making.		Bill Watson	Corporate Landlord	Resources	Remit 1.1	D	A report was originally due at the June meeting as further information had been provided by the legal team in respect of various transfers of ownership between different Services, further work is required to fully interpret this information.
67									
68			07 February 2019						

	A	B	C	D	E	F	G	H	I
	Report Title	Minute Reference/Committee Decision or Purpose of Report	Update	Report Author	Chief Officer	Directorate	Terms of Reference	Delayed or Recommended for removal or transfer, enter either D, R, or T	Explanation if delayed, removed or transferred
2	Credit Review Rating Annual Report	To present the outcome of the annual review of credit rating by Moody's.		Sandra Buthlay	Finance	Resources	1.3	D	The report was originally due to be submitted for the meeting in November 2018, however confirmation of the date for the annual assessment meeting with Moody's is in progress with the indications at present being an early November date which will result in this report being delayed.
76			25 April 2019						
77									
78	Council Financial Performance, Quarter 4, 2018/19	To present the Council's financial position for the quarter.		Lesley Fullerton	Finance	Resources	1.3		
79	Annual Committee Effectiveness Report	To present the annual effectiveness report for the Committee.		Mark Masson	Governance	Governance	GD 7.4		
80	Aberdeen Cross City Transport Connections STAG Part 2 Study	This report will advise Members of the outcomes of the Scottish Transport Appraisal Guidance (STAG) Part 2 Appraisal that have been submitted by Peter Brett Associates consultants for Aberdeen Cross City		Nathan Thangaraj	Strategic Place Planning	Place	2.3		
81	Granite City Growing – Aberdeen Growing Food Together	To advise committee about the requirement to have and implement a Food Growing Strategy under the requirements of the Community Empowerment (Scotland) Act 2015.		Sandy Highton/Amy Gray	Strategic Place Planning	Place	2.2		
82	Consultative Draft Sustainable Urban Mobility Plan (SUMP)	To advise Members of progress to date on developing a SUMP for Aberdeen and gain approval for a draft SUMP to be published for public and stakeholder consultation.		Will Hekelaar	Strategic Place Planning	Place	Purpose 5 and Remit 2.2		
83	Bridge of Dee West – Walking/Cycling Improvements	Approval to begin detailed design		Kevin Pert	Strategic Place Planning	Place	2.2		
84			May 2019 onwards						

	A	B	C	D	E	F	G	H	I
	Report Title	Minute Reference/Committee Decision or Purpose of Report	Update	Report Author	Chief Officer	Directorate	Terms of Reference	Delayed or Recommended for removal or transfer, enter either D, R, or T	Explanation if delayed, removed or transferred
2									
85	Following the Public Pound	To present the reviewed following the public pound policy.	To be reported September 2019	Sandra Buthlay	Resources	Finance	1.3.7		
86	Community Planning Aberdeen - Local Outcome Improvement Plan Annual Report	To present the LOIP annual report.	To be reported to the Strategic Commissioning Committee	Michelle Cochlan	Strategic Place Planning		Purpose 6	R	The CP annual report is being reported to SCC in relation to its Terms of Reference and will be the practice moving forward.
87	Building Performance Policy	CH&I Committee 2017 agreed to instruct officers within Communities, Housing and Infrastructure to undertake scrutiny of policy compliance and report back to committee with an annual review and progress report in 12 months, envisaged to be May 2018.	A Service Update was circulated on 30 August 2018.	David Dunne	Strategic Place Planning	Place		D	Deferred from September 2018 Meeting as this policy could only be applied to projects at concept stage, projects have not advanced enough to assess the policy's effectiveness. Work is ongoing with services to assess any changes which may be required to the policy.
88			DATE TBC						
89	Developing an Energy Plan for Aberdeen	Communities, Housing and Infrastructure Committee on 16/1/18 instructed the interim Director of Communities, Housing and Infrastructure to report back to CH&I Committee when the plan is complete.		Mai Muhammad	Corporate Landlord	Resources	2.2		

	A	B	C	D	E	F	G	H	I
	Report Title	Minute Reference/Committee Decision or Purpose of Report	Update	Report Author	Chief Officer	Directorate	Terms of Reference	Delayed or Recommended for removal or transfer, enter either D, R, or T	Explanation if delayed, removed or transferred
2	Policy that Specifies the Existing Granite Set and Lock Block Streets - NOM Former Cllr Corall	Council 15/03/17 referred the terms of the motion to Communities, Housing and Infrastructure Committee. "agrees to instruct the Interim Director of Communities, Housing and Infrastructure to develop a policy that specifies: a. the location of existing granite sett and lock block streets; b. which ones should be maintained; and c. what maintenance procedure should be used; and gives a commitment that any future repair work will be carried out sympathetically and appropriately."	A report to approve a procedure for carrying out temporary repairs to granite setts/cobbles is likely to be submitted to Operational Delivery Committee in Nov 2018. A second report which will not only look at the permanent repairs required to historical cobbles/setts, but also look at lockblock areas and areas where specialist paving has been used will be more complex which will consider the areas within the city where these types of material exist, conservation areas, how these areas can be repaired and costs of such schemes. This is a larger piece of work and will come forward in 2019, following the lockblock trial being considered, later this year, within the Kingswells area.	Doug Ritchie	Operations and Protective Services	Operations	2.2 and GD 7.1		
90	Impact on Aberdeen of Scottish Government Funding	Council on 5/3/18 agreed As part of our commitment to Civic Leadership and Urban Governance instruct the Chief Executive to bring a report to the City Growth and Resources Committee working with partners to include our ALEOs, Aberdeen and Grampian Chamber of Commerce, Aberdeen Burgesses Federation of Small Businesses, Opportunity North East, and Scottish Enterprise to assess the impact on Aberdeen of Scottish Government funding in comparison to the funding received by other local authorities and identify how the council can encourage the Scottish Government to provide a better financial settlement for Aberdeen.		Richard Sweetnam	City Growth	Place	1.2		
91									
92			AD HOC REPORTS (CYCLE DEPENDENT ON REQUIREMENT TO REPORT)						

	A	B	C	D	E	F	G	H	I
	Report Title	Minute Reference/Committee Decision or Purpose of Report	Update	Report Author	Chief Officer	Directorate	Terms of Reference	Delayed or Recommended for removal or transfer, enter either D, R, or T	Explanation if delayed, removed or transferred
2									
93	Pension Fund Guarantee Requests	To consider any pension fund guarantee requests received		Lesley Fullerton	Finance	Resources	1.3.4		
94	Unit 24 Howemoss Drive, Kirkhill Industrial Estate Dyce	Proposed purchase of Industrial Investment property by City Council		Stephen Booth	Corporate Landlord	Resources	3.3		
95	Willowbank House (Aberdeen Business Centre) - Option Appraisal and Future Use	Willowbank House (Aberdeen Business Centre) is a City Council-owned investment property, under the management of the Head of Land & Property Assets. The report discusses its present condition, its market appeal, and sets out various options for the future of this property asset.		Stephen Booth	Corporate Landlord	Resources	3.3		
96	Business Case for the Acquisition of ex-Council Properties in Buildings where the Council is the Majority Owner	Council on 6/3/18 agreed to instruct the Director of Resources to report back to the relevant future committee with a business case for the acquisition of ex-Council properties in buildings where the Council is the majority owner and the income stream generated would cover the cost of acquisition as well as any other properties that were previously Council owned.		Stephen Booth	Corporate Landlord	Resources			
97	Small Financial Assistance Grants and Gala Funding	To consider any requests not approved under delegated powers.	To be reported as and when required.	Karen Black	Finance	Resources	GD3		
98	Schoolhill Public Realm Enhancement	The Strategic Commissioning Committee on 7/6/18 agreed amongst other things to delegate authority to the Chief Officer – Place to bring forward a comprehensive public realm enhancement design for the wider Schoolhill area as future stages of works and report to appropriate committees.		Gale Beattie	Place	Place			
99	All of the below will recommended to be reported by means of a service update report, and should any decisions on any of the below be required then a report would be submitted to Committee at the appropriate time.								
100	Denburn Car Park Site	Property Sub Committee - 17/11/15 - The Sub Committee agreed to instruct the Head of Land and Property Assets to open discussions with NHS Grampian (The Scottish Ministers) over the future of the Denburn car park site and report back to a future meeting of this Committee.	Discussions continue with NHS Grampian regarding the site, however meaningful progress can only be made once the NHS operational use of the site comes to an end.	Stephen Booth	Corporate Landlord	Resources	3.3		

	A	B	C	D	E	F	G	H	I
	Report Title	Minute Reference/Committee Decision or Purpose of Report	Update	Report Author	Chief Officer	Directorate	Terms of Reference	Delayed or Recommended for removal or transfer, enter either D, R, or T	Explanation if delayed, removed or transferred
2									
101	Former Bon Accord Baths Disposal	Property Sub Committee -02/09/15 - It was agreed to instruct the Head of Land and Property Assets to enter into dialogue with Bon Accord Heritage and report back to this Sub Committee at a future meeting, by 24 May 2016 at the latest, with further detail in relation to their proposals, delivery strategy and timing.	A Service Update was circulated on 23 January 2018.	Stephen Booth	Corporate Landlord	Resources	3.3		
102	Ferryhill Engine Shed Lease	Property Sub Committee - 02/09/15 - It was agreed to note that the Head of Land and Property Assets will report to the Property Sub Committee on 29 March 2016, with details of what the Trust has provided and a recommendation on a way forward.		Stephen Booth	Corporate Landlord	Resources	3.3	R	The FP&R Committee of 1 February 2018 approved a report recommending a 50 year lease of the site. There will be no future reports on this.
103	87-93 Union Street and 1-6 Market Street	Finance, Policy and Resources 9/3/17 - The Committee agreed to request the Head of Land and Property Assets to report the outcome of discussions to a future meeting.	Discussions continue on other options for the site with the owners and is therefore dependent on their development plans.	Stephen Booth	Corporate Landlord	Resources	3.3		

ABERDEEN CITY COUNCIL

COMMITTEE	City Growth and Resources
DATE	18 th September 2018
REPORT TITLE	City Growth and Resources Performance Report
REPORT NUMBER	COM.18.146
DIRECTOR	
CHIEF OFFICER	Martin Murchie
REPORT AUTHOR	Alex Paterson
TERMS OF REFERENCE	Purpose 1

1. PURPOSE OF REPORT

- 1.1 The purpose of this report is to present Committee with the status of key performance measures relating to the City Growth, Resources and Governance functions.

2. RECOMMENDATION(S)

It is recommended that the Committee;

- 2.1 notes the performance and improvement measures contained in the report at Appendices A and B; and
- 2.2 notes the continued progress in aligning performance reporting with the Council structures.

3. BACKGROUND

- 3.1 At its meeting of the 5th March 2018, Council approved the new Governance arrangements supporting introduction of the Target Operating Model. This provided for the establishment of the City Growth and Resources Committee with, amongst other responsibilities, the purpose outlined below;

To oversee and monitor the development and approval of appropriate short, medium and long term financial strategies and plans for the Council in light of available funding

- 3.2 In providing this functional performance report, Elected Members are able to scrutinise the extent to which the operational delivery of the City Growth and Resources functions align with this purpose. (Appendix A)

- 3.3 It also offers a summary of full year improvement-based reflection against 2017-18, arising from the work of City Growth, Resources and Governance functions, (Appendix B) which, at this point in time, serves as a Statutory Performance Indicator baseline for future improvement and outcome reporting against these new functions.
- 3.4. This latter indicator suite reflects against the core improvement themes derived from the current Accounts Commission guidance that includes;
- a) Performance in improving local public services (including with partners).
 - b) Performance in improving local outcomes (including with partners).
 - c) Performance in engaging with communities and service users and responding to their views and concerns.
 - d) Performance in achieving Best Value, including its use of performance benchmarking; options appraisal; and use of resources.
- 3.5. Appendix B incorporates further analysis of a number of performance measures, listed below, which have been identified as exceptional: -
- Museum Visits in Person
 - Proportion of Activity Agreement Completers in a Positive Destination
 - Determination Times of Non-Householder Local Planning Application
 - Maintenance cost of operational assets per square metre
 - Building and Streetlighting Carbon Emissions
 - Average number of working days lost through sickness absence for teachers

4. MAIN ISSUES

- 4.1 This report is to provide members with key performance measures in relation the City Growth, Resources and Governance functions. This is offered to provide assurance to Members around the continuation of monitoring and scrutiny of critical performance issues during the transition to the Target Operating Model, and to support the Committee in undertaking its scrutiny role.
- 4.2 In line with the above, this report represents an intermediate stage in the reconstruction of data-sets relating to performance metrics, particularly those that have an association with personnel (e.g. absence and health and safety), pending conclusion of the current scoping and case for change processes, which due to the Council's agreed consultation extension around the Transformation programme, has been marginally delayed.
- 4.3 This report reflects combined operational performance measures relating to City Growth and Resources functions and is inclusive of Governance data.
- 4.4 Much of the transitional work around the re-configuration of performance information has already been undertaken at this point, allowing an initial iteration of first and second tier level data to be produced whilst work relating

to datasets, and a re-refresh of improvement measures, at third tier levels is ongoing.

4.5 In the meantime, Members can be assured that operational line management oversight and risk management of critical performance issues, at these lower tier levels, continues to be delivered through existing control systems and tools, and is unaffected by this data-based process.

4.6 As a corollary to this report, Members should note that detailed information in respect of annual outcome improvement measures led by both City Growth, Resources and Governance functions, in particular those relating to the Economy, Place and Digital themes was reported to the Strategic Commissioning Committee on 13th September, through the 2017-18 LOIP Report. A link to the report is below.

[Strategic Commissioning Committee, 13th September 2018](#)

4.7 Within the summary dashboard the following symbols are used:

Performance Measures

Traffic Light Icon



On target or within 5% of target



Within 5% and 20% of target and being monitored



Below 20% of target and being actively pursued



Provided for data only

5. FINANCIAL IMPLICATIONS

5.1 There are no direct implications arising out of this report as it is for performance monitoring only, although a number of measures reflect directly on the use of financial resources.

6. LEGAL IMPLICATIONS

6.1 There are no direct implications arising out of this report regarding legal issues.

7. MANAGEMENT OF RISK

	Risk	Low (L), Medium	Mitigation
--	-------------	----------------------------	-------------------

		(M), High (H)	
Financial	No significant related financial risks.	L	N/A
Legal	No significant related legal risks.	L	Publication of service performance information in the public domain ensures that the Council is meeting its legal obligations in the context of Best value reporting.
Employee	No significant related employee risks.	L	Oversight by Elected Members of core employee health and safety data supports the Council's obligations as an employer
Customer	Lack of sufficient access to information for citizens	L	Placing of information in the public domain contributed to by this report
Environment	No significant related environmental risks.	L	N/A
Technology	No significant related technological risks.	L	N/A
Reputational	There are no material reputational risks attached to this report	L	Reporting of service performance serves to enhance the Council's reputation for transparency and accountability.

8. OUTCOMES

Local Outcome Improvement Plan Themes	
	Impact of Report
Prosperous Economy	The Council aims to support improvement in the local economy to ensure a high quality of life for all people in Aberdeen. This report monitors indicators which reflect current economic activity within the City and actions taken by the Council to support such activity.
Prosperous People	The Council is committed to improving the key life outcomes of all people in Aberdeen. This report monitors key indicators impacting on the lives of all

	citizens of Aberdeen. Thus, Committee will be enabled to assess the effectiveness of measures already implemented, as well as allowing an evaluation of future actions which may be required to ensure an improvement in such outcomes.
Prosperous Place	The Council is committed to ensuring that Aberdeen is a welcoming place to invest, live and visit, operating to the highest environmental standards. This report provides essential information in relation to environmental issues allowing the Committee to measure the impact of any current action.
Enabling Technology	The Council recognises that enabling technology is central to innovative, integrated and transformed public services.

Design Principles of Target Operating Model	
	Impact of Report
Customer Service Design	The report supports a focus on the delivery of customer centric services through the scrutiny of service delivery to customers. The review and realignment of performance measures will be done in the context of a customer centric service design and delivery.
Organisational Design	The report reflects recognition of the process of organisational design and provides assurance through scrutiny of operational effectiveness. The review and realignment of performance measures will support the redesign of the organisation.
Governance	Oversight and scrutiny of operational performance, including that provided by external inspection, supports the robustness of governance arrangements between and across internal and external providers
Workforce	The performance report does and will continue to support understanding of the role and development of the workforce.
Process Design	As the interim structure embeds, development and integration of process design will be influenced by continual evaluation of the performance and outcome measures applied to service provision.
Technology	Technology is being used both in the capture and analysis of data and in the improvement planning of services.
Partnerships and Alliances	Continuous review of the outcomes, and effectiveness, of in house services provides assurance to critical partners where there are shared objectives. Where available data sharing

	between partners will be used to monitor performance and support improvement.
--	---

9. IMPACT ASSESSMENTS

Assessment	Outcome
Equality & Human Rights Impact Assessment	The recommendations arising from this report do not require that full Equality and Human Rights Impact Assessment is completed
Privacy Impact Assessment	The recommendations arising from this report do not require that full Equality and Human Rights Impact Assessment is completed
Children's Rights Impact Assessment/Duty of Due Regard	Not applicable

10. BACKGROUND PAPERS

[Best Value Audit report by Audit Scotland 2015](#)
[Performance Management Framework](#)
[Aberdeen City Council Strategic Business Plan Refresh](#)
[Local Outcome Improvement Plan](#)

11. APPENDICES

Appendix A – City Growth and Resources Organisational Performance Measures Summary
 Appendix B - City Growth and Resources 2017-18 Improvement Measures Summary

12. REPORT AUTHOR CONTACT DETAILS

Alex Paterson, Strategic Performance and Improvement Officer, Business Intelligence and Performance Management
 Email: apaterson@aberdeencity.gov.uk
 Tel: 01224 522137

Appendix A – City Growth and Resources - Organisational Performance Measures Quarter 1 2018

Resources Function Performance Data Traffic Light	
Green	1
Data Only	8

Performance Measure	April 2018	May 2018	June 2018	Q1 2018/19	Status	Long Trend - Monthly
	Value	Value	Value	Value		
% of Freedom of Information requests replied to within 20 working days - Resources	87.5%	66.67%	88.89%	N/A		
Percentage of MP/MSP Enquiries dealt with on time - Resources	0%	66.67%	50%	N/A		
Average number of days lost through sickness absence - Resources	N/A	5.2	5.4	N/A		
Short-Term Absences (Average days lost per employee) - Resources	N/A	2.7	2.9	N/A		
Long-Term Absences (Average days lost per employee) - Resources	N/A	2.5	2.5	N/A		
Agency Headcount - Resources	1	1	0	N/A		
H&S Employee Reportable by Function - Resources	Not reported against months			0		
H&S Employee Non-Reportable by Function - Resources				4		
H&S Near Misses - Resources				15		

Governance Function Performance Data Traffic Light						
Green				1		
Data Only				8		
Performance Measure	April 2018	May 2018	June 2018	Q1 2018/19	Status	Long Trend - Monthly
	Value	Value	Value	Value		
% of Freedom of Information requests replied to within 20 working days - Governance	100%	85.71%	92.3%	N/A		
Percentage of MP/MSP Enquiries dealt with on time - Governance	100%	50%	87.5%	N/A		
Average number of days lost through sickness absence - Governance	N/A	2.1	1.8	N/A		
Short-Term Absences (Average days lost per employee) - Governance	N/A	1.9	1.8	N/A		
Long-Term Absences (Average days lost per employee) - Governance	N/A	0.2	0	N/A		
Agency Headcount - Governance	0	0	0	N/A		
H&S Employee Reportable by Function - Governance	Not reported against months			0		
H&S Employee Non-Reportable by Function - Governance				1		
H&S Near Misses - Governance				0		

Place Function Performance Data Traffic Light						
Green				1		
Data Only				8		
Performance Measure	April 2018	May 2018	June 2018	Q1 2018/19	Status	Long Trend - Monthly
	Value	Value	Value	Value		
% of Freedom of Information requests replied to within 20 working days - Place	0%	100%	100%	N/A		
Percentage of MP/MSP Enquiries dealt with on time - Place	25%	75%	40%	N/A		
Average number of days lost through sickness absence - Place	N/A	10.1	9.8	N/A		
Short-Term Absences (Average days lost per employee) - Place	N/A	2.9	2.8	N/A		
Long-Term Absences (Average days lost per employee) - Place	N/A	7.1	7	N/A		
Agency Headcount - Place	0	0	0	N/A		
H&S Employee Reportable by Function - Place	Not reported against months			0		
H&S Employee Non-Reportable by Function - Place				1		
H&S Near Misses - Place				2		

PI Status		Long Term Trends		Short Term Trends	
	Alert		Improving		Improving
	Warning		No Change		No Change
	OK		Getting Worse		Getting Worse
	Unknown		Data Only		

Appendix B: City Growth and Resources – 2017-18 Statutory Performance Indicator Metrics





Report Author: Alex Paterson











Generated on: 30 August 2018





Performance Data Traffic Light	
Green	13
Data Only	10
Amber	1

City Growth				
Performance Measure	2016/17	2017/18	Status	Long Trend
	Value	Value		
Number of visits to museums - in person	104,407	110,367		
Proportion of Activity Agreement Completers in a positive destination	78.4%	88.9%		
Proportion of 16-19-year olds in a positive participation destination	89.4%	89.8%		

Strategic Place Planning				
Performance Measure	2016/17	2017/18	Status	Long Trend
	Value	Value		
Average Determination Times of Major Development Planning Applications (weeks)	46.9	23.1		
Average Determination Times of Non-Householder Local Planning Applications (weeks)	12.8	10.2		
Average Determination Times of Householder Planning Applications (weeks)	8.9	7.3		

Building Warrant Performance				
No of first reports issued within 20 working days – target 90%	91%	84%		
Time to grant a building warrant	73 days	65 days		

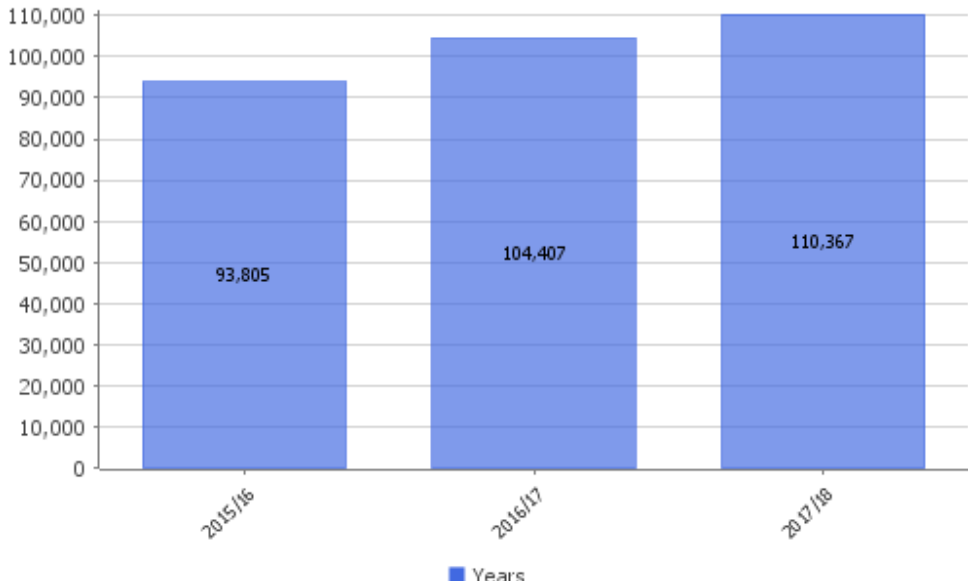









Corporate Landlord				
Performance Measure	2016/17	2017/18	Status	Long Trend
	Value	Value		
Percentage of council buildings in which all public areas are suitable for and accessible to disabled people	82.01%	81.88%		
Percentage of internal floor area of operational accommodation that is in a satisfactory condition.	94.3%	96.0%		
The proportion of operational accommodation that is suitable for its current use.	72.8%	74.2%		
The required maintenance cost of operational assets per square metre	£104.74	£96.00		
Building and Streetlighting Carbon Emissions	34,365 tonnes	31,829 tonnes		

Finance				
Performance Measure	2016/17	2017/18	Status	Long Trend
	Value	Value		
Council-wide efficiencies as a percentage of revenue budget	5.8%	4.6%		
Cost of overall accountancy function per £1,000 of net expenditure	£6.86	£6.36		

People and Organisation				
Performance Measure	2016/17	2017/18	Status	Long Trend
	Value	Value		

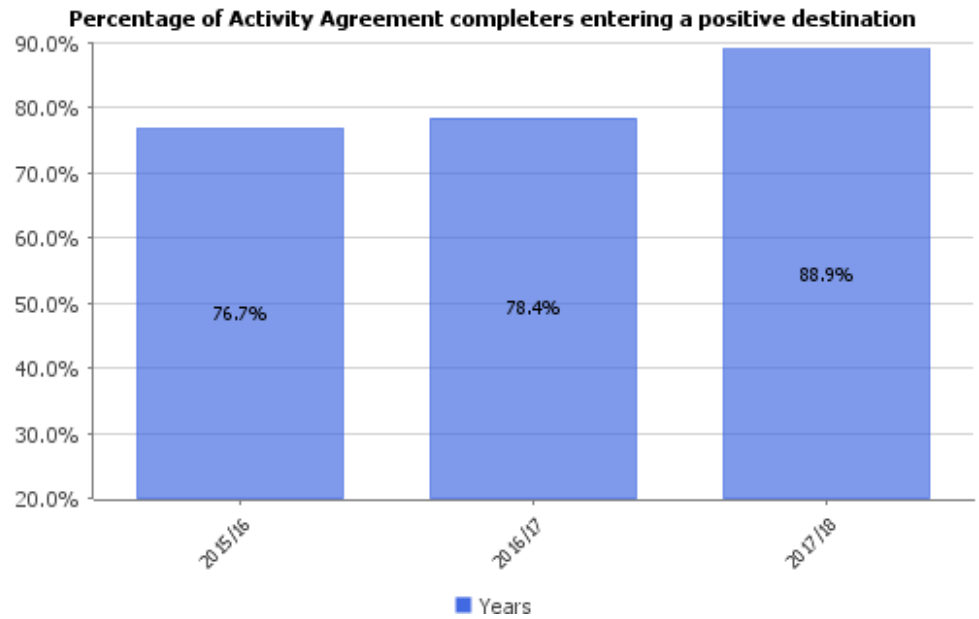
Cost of overall human resources function per £1,000 of net expenditure	£6.34	£5.70		
Percentage of disabled employees	2.9%	2.7%		
Percentage of part-time female employees	31.5%	34.2%		
Percentage of full-time female employees	36.4%	34.9%		
Percentage of part-time male employees	3.8%	4.3%		
Percentage of full-time male employees	28.2%	26.6%		
The average number of working days per employee lost through sickness absence for teachers	6.1 days	4.83 days		
The average number of working days per employee lost through sickness absence for other local government employees	11.6 days	11.65 days		
Percentage of council employees in top 5% of earners that are women	48.53%	64.66%		

PI Status		Long Term Trends		Short Term Trends	
	Alert		Improving/Increasing		Improving/Increasing
	Warning		No Change		No Change
	OK		Getting Worse/Decreasing		Getting Worse/Decreasing
	Unknown				
	Data Only				

Number of visits to museums - in person																			
 <table border="1"> <caption>Number of visits to museums - in person</caption> <thead> <tr> <th>Year</th> <th>Visits</th> </tr> </thead> <tbody> <tr> <td>2015/16</td> <td>93,805</td> </tr> <tr> <td>2016/17</td> <td>104,407</td> </tr> <tr> <td>2017/18</td> <td>110,367</td> </tr> </tbody> </table>	Year	Visits	2015/16	93,805	2016/17	104,407	2017/18	110,367	<table border="1"> <tr> <td>Value</td> <td>110,367</td> </tr> <tr> <td>Data Period</td> <td>2017/18</td> </tr> <tr> <td>Status</td> <td></td> </tr> <tr> <td>Short trend</td> <td></td> </tr> <tr> <td>Long trend</td> <td></td> </tr> </table>	Value	110,367	Data Period	2017/18	Status		Short trend		Long trend	
	Year	Visits																	
	2015/16	93,805																	
	2016/17	104,407																	
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Data Period	2017/18																		
Status																			
Short trend																			
Long trend																			
Analysis	<p>The number of physical visits to Aberdeen Maritime Museum and the Tolbooth Museum has increased by 5% from 104,407 in 2016/17 to 110,367 in 2017/18. This is the highest combined attendance figure for the current operational venues to date.</p> <p>The Maritime Museum exceeded 80,000 visits for the second consecutive year whilst the latter venue recorded a ten-year attendance high of over 28,000 visits, illustrating that the programmes of exhibitions, talks and events continue to be relevant to residents and visitors to the City.</p> <p>2,084 people have participated in the pre-booked tours and activities offered at Aberdeen Treasure Hub in its first full year of operation, significantly in advance of the initial year target, whilst some additional 5,200 participations were recorded against the Service’s outreach programming, including talks, concerts and exhibit placements.</p>																		

Chief Officer Richard Sweetnam

Percentage of Activity Agreement completers entering a positive destination



Value	88.9%
Data Period	2017/18
Status	
Short trend	
Long trend	

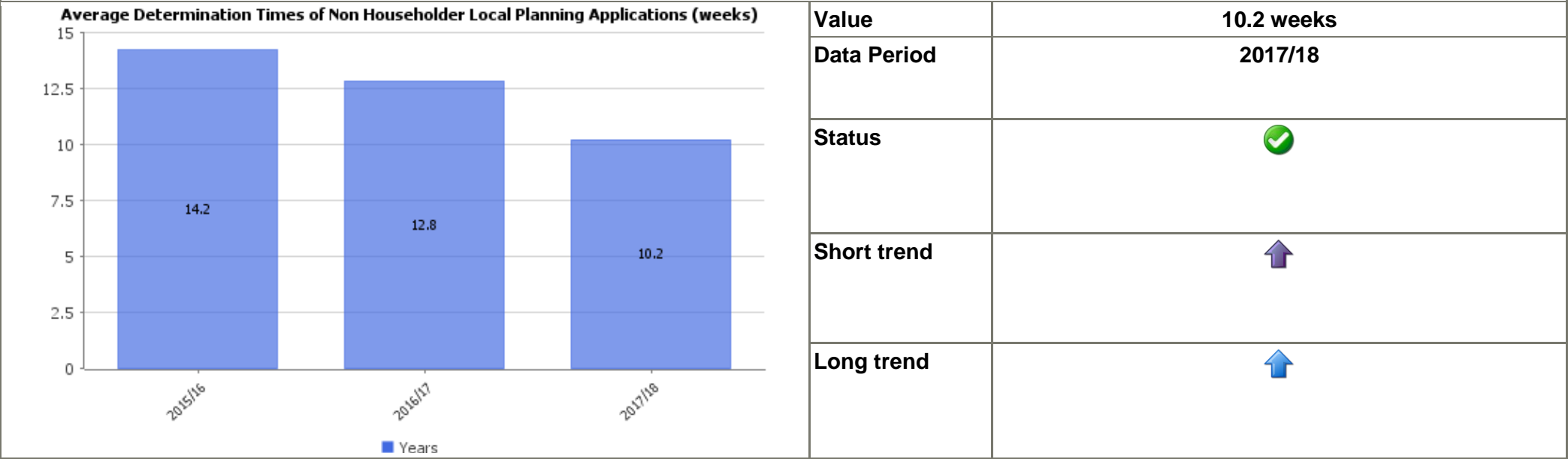
Analysis

At conclusion of the fiscal period, a total of 32 of the 36 (88.9%) participants engaged by the Activity Agreement team in the previous 12 months, were recorded as being in a positive destination on completion of the engagement period.

This represents a significant rise in the proportion of young people experiencing a positive outcome as a result of this intervention, and above the service objective for the year. This was accompanied by a reduction in the number of young people who disengaged from the programme prematurely. In terms of destinations, the overwhelming majority of participants moved on to either further education or returned to school education whilst the remainder were supported into training-based opportunities.

	In terms of engagement levels, the service supported three more participants to a positive destination at the point of completion and one less young person was referred to, and accepted onto the programme, than in 2016-17. In a material enhancement to the offer provided by the Activity Agreement programme, introduced in full this year, the proportion of participants who were in receipt of dedicated aftercare support, enhancing the sustainability of positive destinations at the point of leaving the programme was 100%.
Chief Officer	Richard Sweetnam

Average Determination Times of Non-Householder Local Planning Applications (weeks)



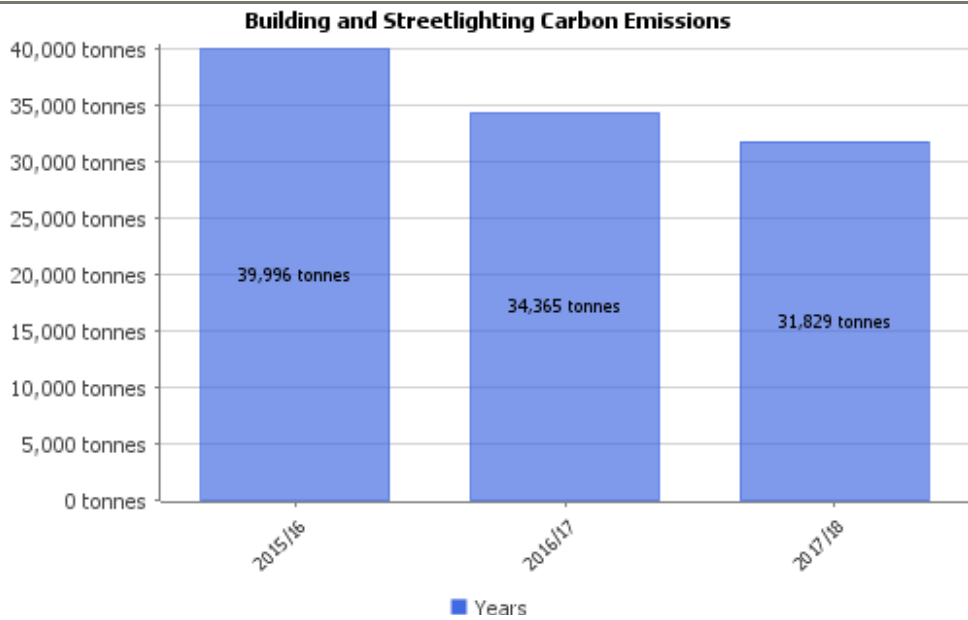
Analysis	<p>There has been an across the board improvement in decision making timescales for planning applications in 2017-18 with Non-Householder applications (above) showing the largest sustained long-term progress.</p> <p>The improved determination times in all three planning application categories have been achieved by continuing the systematic use of project planning, success in promoting uptake of processing agreements by applicants (up from 11.7% in 2016-17 to 42.5% in 2017-18) and accurate use of “stop the clock” where delays in determination have been outside the control of the planning authority.</p>
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	<p>The improvement in the speed of determination of major applications is particularly noteworthy given the importance of such development to the sustainable economic growth of the City, although this is a similar outcome to 2015/16.</p> <p>This is set against a backdrop of a decline in the total number of applications of just less than 10 percent from 1173 to 1122. Some categories of application have fallen more significantly (e.g. Major – 18%, Local Non-Householder – 17% Householder – 26%).</p> <p>At the same time, the proportion of application per case officer has increased slightly, placing the improvement trend in the context of the available resource.</p>
Chief Officer	Gale Beattie

The required maintenance cost of operational assets per square metre																			
<table border="1"> <caption>The required maintenance cost of operational assets per square metre</caption> <thead> <tr> <th>Year</th> <th>Value (£/sqm)</th> </tr> </thead> <tbody> <tr> <td>2015/16</td> <td>£107.48</td> </tr> <tr> <td>2016/17</td> <td>£104.74</td> </tr> <tr> <td>2017/18</td> <td>£96.00</td> </tr> </tbody> </table>	Year	Value (£/sqm)	2015/16	£107.48	2016/17	£104.74	2017/18	£96.00	<table border="1"> <tr> <td>Value</td> <td>£96.00</td> </tr> <tr> <td>Data Period</td> <td>2017/18</td> </tr> <tr> <td>Status</td> <td></td> </tr> <tr> <td>Short trend</td> <td></td> </tr> <tr> <td>Long trend</td> <td></td> </tr> </table>	Value	£96.00	Data Period	2017/18	Status		Short trend		Long trend	
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Data Period	2017/18																		
Status																			
Short trend																			
Long trend																			
Analysis	<p>The figure has improved with last year's figure of £105 per sqm, falling to £96 per sqm, against a target of £102 per sqm. The overall cost has reduced by £5m with £56.9m becoming £51.9m.</p>																		

	<p>The overall floor area has reduced by 2,600 sqm and the number of properties has reduced by seven. The closure of Cordyce and the lease termination at Tarves Road reduced the required maintenance by £2.2m. Continued investment from the C&S programme has seen a reduction across a number of buildings including the Beach Ballroom. A number of new buildings including Orchard Brae and Altens East Office have become operational, which has had a positive impact on the figure.</p> <p>The C&S Programme will continue to allow for targeted priority capital spend. This will result in improvements to specific assets, but assets not included in the programme may decline. The resurvey of assets during the fourth cycle of the condition survey programme will continue to pick up such decline in condition.</p> <p>The completion of capital projects at the Art Gallery, Lochside Academy, Stoneywood Primary and the Music Hall will help improve the figure over the next 12 months. Improvements will also continue to be made through the C&S programme. Further decline in assets identified during the current survey programme is difficult to predict. However, this will not offset all the programmed C&S work and capital projects. Taking this into account a target of £86 sqm has been set for next year.</p>
Chief Officer	Steven Booth

Building and Street Lighting Carbon Emissions



Value	31,829 tonnes
Data Period	2017/18
Status	
Short trend	
Long trend	

Analysis

The Energy Management Team has annual 2.5% energy reduction target and have worked actively to reduce the energy consumption and carbon emissions from all public buildings and streetlighting. Energy efficiency measures and actions include energy awareness campaigns in schools, boiler controls, heating pipe insulation, lighting replacement to LED, district heating connections, improved building management systems and new LED streetlighting.

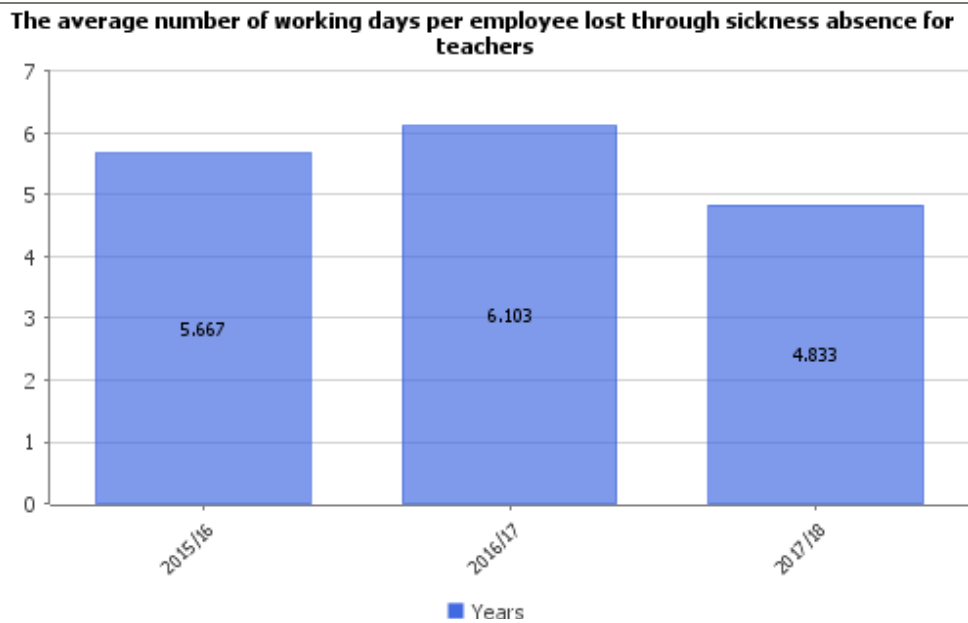
However, in 2017/18 the weather has been colder and wetter for longer during the year and this has caused a significant increase of 8% in gas consumption. This unusually cold weather also resulted in an increase in electricity consumption.

On a positive note, the streetlighting electricity consumption has shown a reduction of 7% as part of the ongoing LED streetlighting programme. So overall there is reduction of 2,536 tonnes of carbon emissions. The Energy Team are continuously monitoring energy consumption patterns to identify more energy savings. There are also ongoing energy spend-to-save projects being planned and implemented.

Chief Officer

Stephen Booth

The average number of working days per employee lost through sickness absence for teachers



Value	4.83 days
Data Period	2017/18
Status	
Short trend	
Long trend	

Data Source

Analysis

People and Organisation have worked closely and extensively with colleagues in the Education Service and schools' management over the course of the past year to introduce effective management of absence procedures and provide support for employees and headteachers in mitigating the impact of absence on both staff and the service.

In terms of process application, the priorities were, initially, around ensuring the effective roll-out and understanding of use of the corporate absence management tool (Your HR), enhancing appreciation of the Council's related suite of policies and supporting headteachers, managers and employees to recognise the extent that accurate information collation, as provided through the tool, offered the capacity to better highlight where additional assistance, whether from line management or by the application of, and access, to the range of available complementary interventions (e.g. Time for Talking) would be of benefit.

Whilst it is, perhaps, relatively early to assert that the data from either these programmes provides evidence of clear

positive impacts for employees – most phases of the Absence Management and Health and Safety Improvement Plan were aligned with the commencement of the academic year – the increased accuracy and visibility of ‘case management’ information has been invaluable in identifying and addressing micro-trends in absence levels. It has also provided opportunities for the development of discrete service level tools and dashboards and embedding of these within the processes of strategic change that individual Services have been delivering, ensuring consistency and continuity of approach.

Targeting of Support

The availability of enhanced ‘condition’ information relating to absences, and an improved understanding of how these might influence the length of potential absence, is enabling earlier and more appropriate interventions and allowing managers to track, at an individual level, the effectiveness of their management of absence from work and, for employees, improves confidence that conditions and circumstances which may be preventing an early return to work are better understood by managers.

In these terms, the identification of two core areas influenced by ‘preventative condition management’, approaches-musculo-skeletal and psychological issues, have formed the basis of targeted support and interventions for teaching staff in the past 12 months in an effort to both mitigate risks attached to the causation, and unnecessary prevention, of a sustainable return to work arising from these conditions.

Overview

Assistance, co-ordinated and delivered through People and Organisation business partner and support teams, is offered to headteachers and managers to support employee returns to work, (and help them remain at work following a period of absence) through a range of provisions that, in addition to application of the policy, and practical absence management tools, is designed to mitigate against the likelihood, impact and consequences of absence at an individual level.

The following represents a sample of the interventions that are available to Council employees, including teaching staff, which support the policy frameworks, and are designed to prevent or reduce extended absence periods.

Employment Adjustments

- Implementation of modified or adjusted duties on an ongoing basis, to help support a sustainable return to work.
- The use of phased returns to work, after periods of extended absence, provides options for modified duties and hours on a temporary basis.

	<ul style="list-style-type: none"> • Availability of Disability Leave for employees with underlying medical conditions for planned absences directly related to these disabilities. • Examining flexible working options. <p><u>Preventative Measures</u></p> <ul style="list-style-type: none"> • Use of stress risk assessments to identify causation and implement mitigations • Application of DSE assessments to identify and implement workstation adjustments <p><u>Employee Support</u></p> <ul style="list-style-type: none"> • Access to the Employee Assistance Programme (Time for Talking) • Referrals for physiotherapy treatments through occupational health provider • Access to chaplaincy support via the Council Chaplain • Signposting of employees to the support available through Access to Work <p>Council employees, through the 'My Employment', 'My Benefits' and OIL Training frameworks on the Zone, also have access to a range of work management courses and tools delivered both directly by People and Organisation, and therapeutic activities made available through partnerships with external providers, that offer assistance, preventative guidance and material support for those who may be at risk of recurring or extended absence.</p> <p>Whilst national comparator data against this measure is not currently available, it is likely that this level of employee absence will place the authority positively in terms of the outcome, given that the average upper quartile 'cut-off' over the previous three years sits at 5.46 days, with a national average of 6.15 days</p>
Interim Chief Officer	Morven Spalding

ABERDEEN CITY COUNCIL

COMMITTEE	City Growth and Resources Committee
DATE	18 September 2018
REPORT TITLE	VisitAberdeenshire Destination Aberdeen & Aberdeenshire Tourism Strategy 2018 - 2023
REPORT NUMBER	PLA/18/137
DIRECTOR	Steve Whyte
CHIEF OFFICER	Richard Sweetnam
REPORT AUTHOR	Dawn Schultz
TERMS OF REFERENCE	City Growth and Place – 2.2 & 2.3

1. PURPOSE OF REPORT

- 1.1 The purpose of this report is to inform members of the development of the VisitAberdeenshire Aberdeen & Aberdeenshire Destination Tourism Strategy 2018 – 2023, and associated tourism action plans.

2. RECOMMENDATION(S)

That the Committee:

- 2.1 endorse the VisitAberdeenshire Aberdeen & Aberdeenshire Destination Tourism Strategy 2018 – 2023 as attached in Appendix 1;
- 2.2 endorse the action plans and priority activities detailed in the Tourism Strategy for 2018 – 2021;
- 2.3 instructs the Chief Officer City Growth, following consultation with the Chief Officer Finance and the Head of Commercial and Procurement Service to enter into negotiation with VisitAberdeenshire on a new Service Level Agreement for the 2019 – 2022 period to promote the city, subject to the Councils annual budget setting process.

3. BACKGROUND

- 3.1 The Chief Executive of VisitAberdeenshire, Chris Foy, will attend the Committee meeting to answer any questions arising from the Destination Aberdeen & Aberdeenshire Tourism Strategy 2018 – 2023 appended to this report.

- 3.2 The new Destination Management Organisation (DMO) for Aberdeen City and Aberdeenshire was established on 1 April 2016 (approved by the Council's Communities, Housing and Infrastructure Committee on 20 January 2016 [CHI/1515/345]). That Committee also approved the signing of a Service Level Agreement with the new company for three years from 2016-17 ending on 31 March 2019. Councillor Jenny Laing was appointed to represent the Council on the Board of Visit Aberdeenshire.
- 3.3 Development of the tourism, events and culture sector is a key priority in the Regional Economic Strategy (RES), the Council's policy document *Stronger Together 2017-2022*, the City Centre Masterplan (CCMP) and is highlighted in *Culture Aberdeen*, the city's developing cultural strategy. The development of the destination of the city and wider region is also a key element in attracting new visitors from new markets through the Council's existing investment in the tourism infrastructure – the new exhibition, conference centre and arena, the Art Gallery and the Music Hall; and the Aberdeen Harbour Board's expansion project that will accommodate additional cruise vessels to the city. The wider marketing of the city and development of the destination is vital to capitalise on the opportunities from these investments.
- 3.4 Following the appointment of a new senior team within VisitAberdeenshire, and a subsequent realignment of its staffing in response, it has developed a new strategy and plan following a six-month consultation process with a wide range of public sector bodies, tourism industry associations and leading businesses.

The Strategy

- 3.5 The VisitAberdeenshire Destination Aberdeen & Aberdeenshire Tourism Strategy 2018 – 2023 attached in Appendix 1 aims to provide a compelling Scottish visitor experience. Following the recent challenges in the regional economy, the significant investment made in Aberdeen city's infrastructure provides the ideal platform to attract a wide range of visitors. This growth opportunity through well managed destination marketing is key to the full strategic alignment to the Regional Economic Strategy, Culture Aberdeen and the Aberdeen City Region Deal.
- 3.6 This Strategy will develop Aberdeen and Aberdeenshire's visitor economy contributing to the economic prosperity of the region. Targeted marketing, market development and building travel trade relationships will be delivered through the strategy. Similarly, resources will be directed to understanding core visitor channels and strengthening existing visitor loyalty.
- By understanding the visitor, and tailoring Aberdeen's tourism offer to meet their needs the "shorter breaks more often market", increasing our attractiveness to international visitors and focus on active/experience holidays in the region can be focussed on.
- 3.7 Through the tourism strategy, VisitAberdeenshire and its regional partners aim to grow visitor spend to £1bn per annum by 2023 (£500m in overnight spend/£500m in day visitor receipts).

3.8 Infrastructure improvements including the new cruise ship facilities at Aberdeen Harbour, The Events Complex Aberdeen (TECA), Aberdeen Art Gallery and the redevelopment of Union Terrace Gardens are some of the projects essential to delivering the aims of the tourism strategy.

3.9 By focussing on the city's competitive strengths and opportunities, VisitAberdeenshire has developed six actions plans, attached in Appendices 2 - 7, that targeted destination promotion activity will aligned to. They are:

1. **Appendix 2 - Business Events** – business event delegates are of high economic value and can offer added value through stay extenders from business to leisure tourism and the development of the Events Complex Aberdeen (TECA) gives the city competitive advantage in the conferencing market through the attraction of business events.
2. **Appendix 3 - Cruise** – the completion of the South Harbour development will position Aberdeen in the league of premier UK cruise ports and offer unique destination excursions for ship passengers.
3. **Appendix 4 - Golf** – the large range of golf courses in Aberdeen and the wider region are key to the attraction of high value golfers, where repeat business and loyalty is high.
4. **Appendix 5 - Culture, Heritage and Events** – linking strongly to the Aberdeen 365 events plan (see separate report at the City Growth & Resources Committee), and the Culture Aberdeen Strategy event's increase the value of tourism to the city and its tourism industry, creating a thriving, profitable tourism industry and delivering high levels of economic, cultural and social benefit to Aberdeen and the wider region.
5. **Appendix 6 - Food & Drink** – with quality produce and product provenance, food and drink experiences will attract visitors to the region, while also enjoying our events, golf and touring offers.
6. **Appendix 7 - Touring & The Great Outdoors** – the outstanding natural assets, coastal and countryside scenery all support reasons why tourists currently visit the city and region. With capacity to grow, visitors can be targeted to explore less crowded regions in Scotland.

Key Performance Indicators (KPIs) such as domestic and inbound visitor spend, overnight and day spend, GVA of the hospitality sector and perception and visitor surveys will measure the success of VisitAberdeenshire's efforts to grow and develop the tourism economy.

4. FINANCIAL IMPLICATIONS

4.1 The Council contributes a total of £570,000 towards VisitAberdeenshire's operating costs. £520,000 supports the development, delivery and management of destination promotion activities, and a further £50,000 contributes towards Aberdeen Festivals.

4.2 All activity detailed in the Tourism Strategy will be carried out by VisitAberdeenshire's existing budgetary and staffing resources. The Tourism Strategy will be subject to regular review and scrutiny to ensure the Council's obligations under Following the Public Pound are met.

5. LEGAL IMPLICATIONS

- 5.1 Representation on the VisitAberdeenshire Board ensures that Aberdeen City Council can monitor and manage the legal obligations and implications under the existing Service Level Agreement.

6. MANAGEMENT OF RISK

	Risk	Low (L), Medium (M), High (H)	Mitigation
Financial	The implementation of the plan assumes that the Council will enter into a further three-year SLA with Visit Aberdeenshire at the same financial level as the current arrangement. There is a risk that this might not be confirmed in the Council's budget-setting process.	L	Rigorous budget monitoring to ensure that the Visit Aberdeenshire strategy and business plan deliver against the Council's tourism and events objectives and offer appropriate value for money, using the KPIs/tourism data.
Legal	Activity delivery as defined within and aligned to the Service Level Agreement.	L	Service Level Agreement to be renewed in the coming months to accurately support the priorities for Aberdeen as detailed in the Tourism Strategy.
Employee	Lack of skilled VisitAberdeenshire staff to deliver Strategy priorities.	M	VisitAberdeenshire now has the staff team and structure in place to deliver on tourism industry support, business development and engagement as detailed in the Destination Strategy.
Customer	Current and future economic, social and environmental impacts addressing the needs of the visitors, the industry, the environment and host communities.	L	The plans have been developed following a six month consultation process and have the buy-in from core partners and within the Council. There is low likelihood of them not being approved by all relevant parties.
Environment	None		

Technology	Without the use of new and emerging technology to enhance the visitor experience Aberdeen could lose ground as a connected destination.	L	Investment in technology and training that ensures digital engagement is core to the business developed/attracted through online destination promotion.
Reputational	Work transparently and accountably with partners to include festivals, businesses, residents, to improve the visitor and resident experience and address challenges through positive tourism experiences in Aberdeen. The Councils reputation will be impacted where activities are not delivered, actions not supported, or the quality is not of the standard expected.	M	<p>The Strategy acknowledges the importance of managing future success in the tourism industry and the economic benefits to be gained through the balance of managed tourism growth in Aberdeen.</p> <p>This strategy aims to address the aspect of quality through ongoing engagement and seeking new opportunities for focussed destination promotion.</p>

7. OUTCOMES

Local Outcome Improvement Plan Themes	
	Impact of Report
Prosperous Economy	Enhance the city's image and reputation, developing tourism in ways which will greatly strengthen perceptions locally, nationally and internationally of Aberdeen as a unique city – in which to invest, live, work, study and visit
Prosperous People	Tourism provides a dynamic jobs market for Aberdeen supporting the long - term prosperity of the North East of Scotland and offering new opportunities that diversify the local economy and employment base.
Prosperous Place	Through the Aberdeen 365 Events plan and Culture Aberdeen Strategy, the city is developing a strong destination narrative that will attract residents, visitors and businesses to engage with the tourism products and experiences on offer supporting economic growth in new and existing leisure markets.

Enabling Technology	Keeping pace with digital technological change will ensure consumers can book and manage tourism experiences in Aberdeen and the wider region with ease, and access relevant information at their destination of choice.
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Design Principles of Target Operating Model	
	Impact of Report
Customer Service Design	Participation on the VisitAberdeenshire Board helps the Council to promote and enhance the long-term economic prosperity of Aberdeen and the wider region by attracting more businesses and leisure tourism. VisitAberdeenshire has a key role in the promotion of tECA, as well as delivery activities relating to the City Centre Masterplan including the redevelopment of Aberdeen Art Gallery, the Music Hall and the attraction and hosting of events in new and reactivated city centre spaces.
Organisational Design	Staff within City Growth will work closely with VisitAberdeenshire to improve the city's tourism performance and make it an attractive destination to visit. VisitAberdeenshire allows for greater collaborative working and alignment of resources as detailed in the Regional Economic Strategy, City Region Deal and Culture Aberdeen Strategy.
Governance	Management of the existing VisitAberdeenshire Service Level Agreement and financial monitoring of allocated funding.
Technology	Effective use of digital technology to engage with audiences and support destination promotion campaigns to targeted audiences locally, national y and internationally.
Partnerships and Alliances	Strong partnership working will ensure the successful delivery of this strategy.

8. IMPACT ASSESSMENTS

Assessment	Outcome
Equality & Human Rights Impact Assessment	Not required
Privacy Impact Assessment	Not required
Duty of Due Regard / Fairer Scotland Duty	Not applicable

9. BACKGROUND PAPERS

1 February 2018 Finance Policy & Resources Committee (CHI/ 17/ 272)

10. APPENDICES (if applicable)

Seven attached or found at links below:

Appendix 1 – VisitAberdeenshire Destination Aberdeen & Aberdeenshire
Tourism Strategy 2018 – 2023

<https://www.visitabdn.com/assets/Destination-Strategy/Aberdeen-and-Aberdeenshire-Destination-Strategy-2018.pdf>

Appendices 2 - 7 – VisitAberdeenshire 6 x Competitive Strength Action Plans

<https://industry.visitabdn.com/home/destination-strategy/>

11. REPORT AUTHOR CONTACT DETAILS

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DESTINATION ABERDEEN & ABERDEENSHIRE

OUR TOURISM STRATEGY
2018-2023

FOREWORD

As a recent arrival to the area, I count myself among the many employees, entrepreneurs, students and, of course, visitors who are attracted to this part of the world every year by the great experiences on the doorstep. Whether that's the urban culture of Aberdeen, the big skies above Aberdeenshire, or nature's playground in the Cairngorm National Park.

Demand to experience Scotland increases year on year, fortifying one of the strongest tourism brands in the world. As demand rises, so too does the appeal of lesser-known destinations that are a little (but not too far) off the well-worn path, and yet still fulfil the need for a high quality and authentic Scottish experience.

I believe that the North East is Scotland's space to grow its tourism industry, and as a sector we are custodians of that growth opportunity. We are supported by significant public and private investment in projects that will strengthen our potential. This strategy sets out a shared agenda for businesses of all sizes, agencies and authorities to collaborate, to harness the appetite among visitors to enjoy the experiences that we have to offer, convert that into visitor spend and in turn contribute to improved prosperity in Aberdeen and Aberdeenshire.

I look forward to working with you to deliver this plan

Chris Foy

Chief Executive, VisitAberdeenshire

BACKGROUND TO THIS STRATEGY

Tourism is a growth industry, with consumers around the world spending more of their time and money on leisure activities. Scotland is expected to benefit from the growing demand from leisure as well as business travellers, who are attracted to Scotland as a place to meet, learn and grow their business. As the appetite to visit and explore Scotland grows, the country needs space to meet that demand. We believe that **Aberdeenshire** (understood in this strategy as both City and Shire unless otherwise stated) is well poised to lead the response to that challenge, offering both a compelling Scottish visitor experience, and the capacity to attract a wide range of visitor types.

When the previous tourism strategy was published in 2013, the region's economy was in a different place. However, since that time, considerable investment has been made in some major infrastructure that, if managed and marketed well, presents an opportunity for the tourism industry to grow in an unprecedented way. Changing trends in consumer demand have opened up new opportunities for us too. Therefore, this strategy sets out a framework for everyone in the region's tourism sector to plan around these new opportunities, and build on our strengths as a destination. It is important to note that while Visit**Aberdeenshire** provides the secretariat for shaping and delivering this plan, the implementation lies with us all.

“ OUR MISSION

Together, we will develop the visitor economy to provide a sustainable contribution to the prosperity of North East Scotland



“ OUR AMBITION

We aim to grow visitor spend in Aberdeenshire to £1 billion per year by 2023



IT ALL ADDS UP

In 2016, combined spending by day visitors and overnight visitors was £630 million. With improved facilities for cruise ships in Aberdeen, and a world-class exhibition centre opening soon, the volume and value of day and overnight visitors is set to increase. Therefore, our ambition is bold. We aim to help grow visitor spend in **Aberdeenshire** to £1 billion per year by 2023; the sum of £500m in overnight spend and a further £500m in day visit receipts.

We believe that fulfilling our ambition to grow the visitor economy is realistic and could even be exceeded if we work together, improve our skills, respond to evolving trends in consumer behaviour and compete as a team. This strategy sets out how everyone can play their part in doing this, and ultimately in improving the prosperity of North East Scotland.

£1bn
(2023)



£500m

day visitor spend



£500m

overnight visitor spend

WHAT ARE OUR VISITORS LOOKING FOR?

Tourism in **Aberdeenshire** is shaped by a wide range of factors affecting both what visitors are looking for, and what we offer. Firstly there are overriding megatrends such as demographic or climate change, shifts in economic power and even Brexit. These form the background for consumer trends and play their part in influencing how people spend their leisure time. Based on these, and on emerging patterns of consumer behaviour, the eight trends identified below are expected to be particularly relevant to shaping visitor demand in the UK, Scotland and locally in **Aberdeenshire**, during the lifetime of this strategy.



SHORTER BREAKS, MORE OFTEN

Consumers are opting for 'experiences' over things, leading them to seek more from their leisure time. UK domestic travellers are opting for 'staycations' more often



MORE INTERNATIONAL VISITORS

Visitors to Scotland are becoming increasingly international in nature. Our 'near neighbours' from continental Europe and 'distant cousins' from North America are exploring more of Scotland more frequently



DIVERSE VISITOR PROFILES

Our visitors are becoming more diverse in every sense, as people travel in groups of different ages, and come from more varied cultural backgrounds. Visitors are also mixing business and leisure activities in the same trip



SEEKING DISCONNECTION FROM A CHAOTIC WORLD

Consumers are leading increasingly busy lives, so holidays and short breaks are becoming more about recovery and self-improvement, and doing activities which improve physical and mental health



ACTIVE HOLIDAYS IN NATURE'S PLAYGROUNDS

Interest in physical health has increased demand for active holidays, through simple pursuits such as walking and cycling, or 'soft adventure' activities such as wild camping, country sports or marine sports



FREEDOM ON THE ROAD - FLUID ITINERARY TRAVEL

Increasingly, visitors are making a road trip with no fixed itinerary, giving them flexibility to see breathtaking landscapes and go beyond the traditional tourism attractions



DISCOVERING HONEST AUTHENTICITY

A growing interest in Scotland's past is also coupled with greater localism, where people pay more attention to local culture. Visitors are also seeking opportunities to get to know unique aspects of Scottish heritage



TECH EVERYWHERE: KEEPING UP WITH DIGITAL TECH CHANGE

Consumers' every-day use of technology is having clear, tangible effects on the tourism sector, as research, booking and managing trips shifts online at an ever-faster pace

With the consumer environment and visitors' interests and expectations in constant evolution, new opportunities for tourism businesses in **Aberdeenshire** can emerge, while some patterns of consumer behaviour will fade over time. This is why it is important for everyone to play their part in monitoring customer expectations, share their insights and capitalise on new market developments.

UNDERSTANDING OUR VISITORS



The top five reasons for visiting Aberdeenshire are:



1. The scenery & landscape



2. To visit family / friends who live here



3. The history & culture



4. To return, following a previous holiday here



5. Because of a long desire to visit

Our visitors are:



With a clearer understanding of the characteristics of segments within each market, and targeted marketing and product development adapted for each, there are significant opportunities to increase the volume and value of visitors who come from the rest of the UK and overseas. Based on what we know about our markets and how our visitor experiences match with demand, VisitAberdeenshire has, to date, focused on audiences in Great Britain (“Home Turf”) along with Germany, the Netherlands, and Norway (“Near Neighbours”). They have been selected because they offer a good product fit with demand from those markets, the potential for a good return on investment, and they are likely to grow in the long term.

Looking ahead, we should all take into account the relative value of audiences in these markets and dedicate our efforts accordingly. We should also consider prospects among other “Near Neighbours” and indeed “Distant Cousins”. For example, France has good air connections with Aberdeen and a long-standing affinity with Scotland, while the United States and Canada are important inbound markets for Scotland, with visitors keen on golf and Scottish heritage.

Preparing the ground for our marketing efforts

Our potential markets are diverse and visitors who come to Scotland have a wide choice of destinations to choose from. Therefore, to be effective with our marketing efforts, we first need to ensure that we have the right product fit for each market, and that both consumers and the travel trade will be receptive to what we have to say. This requires us to focus on market development as a first step: understanding what our different markets are looking for, building relations with the travel trade in the UK and overseas, knowing which channels are most effective in each market and, of course, building loyalty among our existing visitors. By taking this approach, learning together and sharing knowledge on our markets, we can be confident that our marketing budgets will be well spent.



DEVELOPING A GREAT VISITOR EXPERIENCE IN ABERDEENSHIRE

As we develop our core and best prospect markets (described overleaf), we must be able to offer the services, experiences and warm welcome that our visitors expect. Therefore, in addition to market development, we must all turn our attention increasingly towards 'destination development'; turning our assets into the experiences that visitors look for, and building our capabilities to ensure a high level of service from our visitors' arrival, to their departure. **Aberdeenshire** already boasts so many of the experiences that attract visitors from around the world to Scotland. It is up to all of us to ensure that we create even more compelling reasons to stay, explore our region and return again and again.

This approach will require us to focus on the following areas:



Turn assets into experiences

Building on our competitive strengths, this means developing our assets (such as the natural landscape, and famous food and drink) into the type of experiences that visitors are looking for, and which can be readily marketed. We should be guided by the ambition to encourage people to visit throughout the year and as widely as possible across **Aberdeenshire**.



Connect businesses with customers

We should ensure that our products (accommodation, meals and activities) are well positioned in the places where our visitors are searching; online and offline. In particular, this means continually developing our capacity to manage and market our businesses using digital tools.



Ensure that tourism is good for Aberdeenshire and its people

In developing **Aberdeenshire** as a destination we should always ensure that we protect and enhance our natural and built environment. We should also ensure that tourism brings long-term economic growth and contributes to the prosperity and wellbeing of local people.



Improve the quality and attractiveness of employment in tourism

Tourism in **Aberdeenshire** should provide increased opportunities for employment, creating jobs that are fair, inclusive and offer good prospects for career advancement.



Encourage business leadership, good governance and continual collaboration

Businesses should take the lead in addressing the areas above, while government bodies must work with the private sector to support the continual growth of the visitor economy.

FOCUSING ON OUR COMPETITIVE STRENGTHS AND OPPORTUNITIES



BUSINESS EVENTS

Why business events are a competitive strength:

- The new Aberdeen Exhibition and Conference Centre (AECC) and Aberdeen's accommodation capacity will give the city a very strong competitive position for hosting business events
- Business event delegates are high value. International delegates are also more likely to extend their stay for leisure
- Aberdeen can offer added value to business event delegates for extending their stay; from a high-quality city stay to easy countryside escapes

CRUISE

Why cruise is a competitive strength:

- With the completion of the South Harbour development, Aberdeen will be in the position to increase capacity for larger ships and join the premier league of UK cruise ports
- **Aberdeenshire** can offer a wide variety of excursions to cruise visitors per ship call
- Cruise visitors can be attracted to return and spend longer in **Aberdeenshire**



FOCUSING ON OUR COMPETITIVE STRENGTHS AND OPPORTUNITIES



GOLF

Why golf is a competitive strength:

- **Aberdeenshire's** range of golf courses are highly regarded by professional and non-professional golfers from **Aberdeenshire's** key inbound markets, giving us a strong brand position in this sector
- Golf visitors to **Aberdeenshire** are loyal, often repeating their visit and recommending our destination to others. Golf visitors are frequently high-value, opting for high-end accommodation and dining

CULTURE, HERITAGE AND EVENTS

Why culture, heritage and events are a competitive strength:

- Events play a crucial role in raising awareness of the destination impact in **Aberdeenshire's** target markets and create revenue and investment for local businesses
- **Aberdeenshire** features a wide range of visitor attractions and public events connected with Scottish culture, one of visitors' primary reasons for coming to Scotland
- **Aberdeenshire's** culture and heritage can offer a strong complementary appeal to visitors coming primarily for other activities, such as touring, business events and golf



FOCUSING ON OUR COMPETITIVE STRENGTHS AND OPPORTUNITIES



FOOD & DRINK

Why food and drink are a competitive strength:

- Discovering a destination through its food and drink is increasingly important for visitors. **Aberdeenshire** has many signature food and drink products which can spark interest in our region, its produce and traditions

- Food and drink experiences often attract a premium, and can be combined effectively with other activities such as business events, golf and touring

TOURING AND THE GREAT OUTDOORS

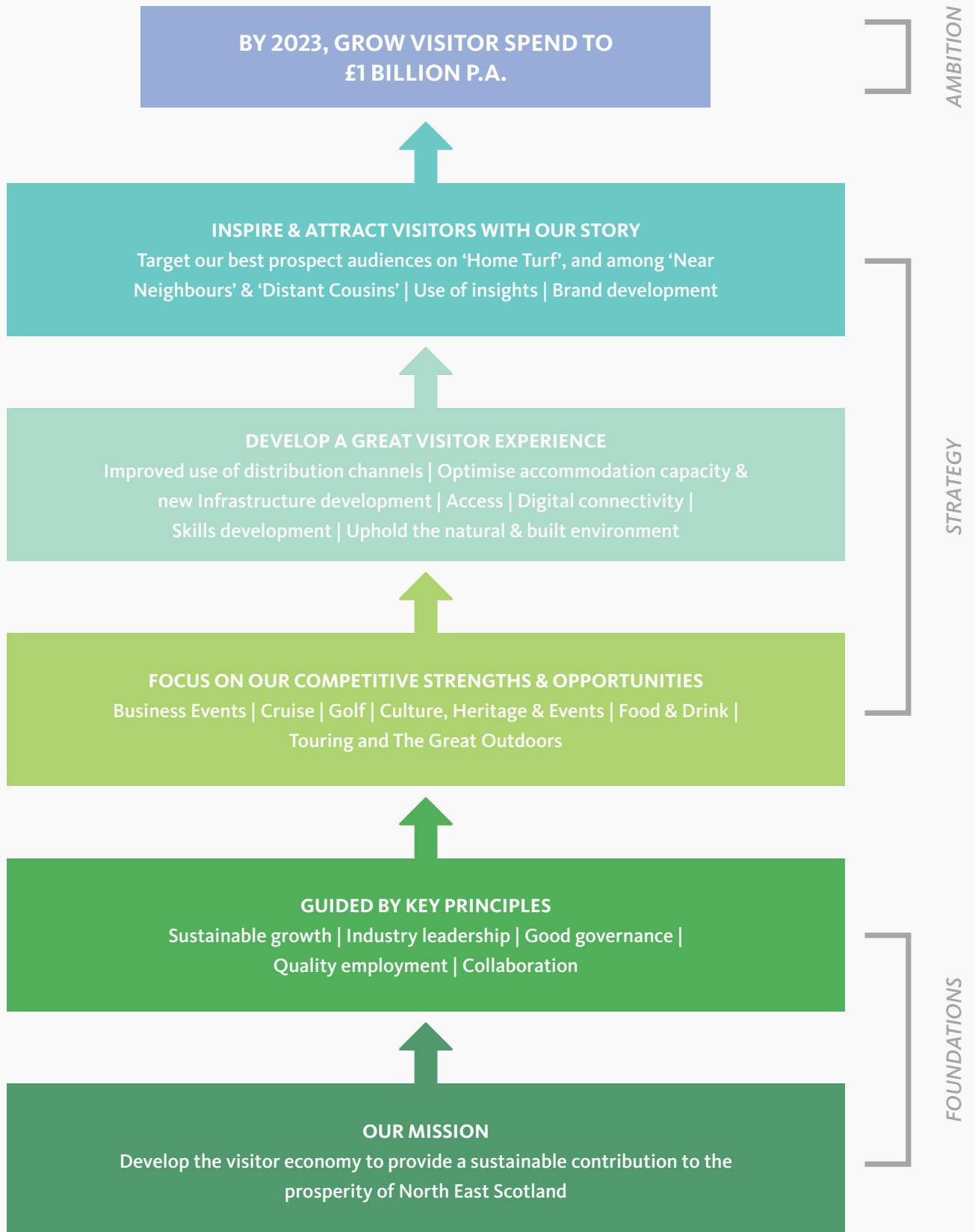
Why touring and the great outdoors are a competitive strength:

- **Aberdeenshire** has outstanding natural assets in terms of countryside and coastal scenery. Visitors cite this as their number one reason for coming here

- **Aberdeenshire** offers a large supply of accommodation and capacity for growth, attracting visitors from more crowded parts of Scotland



THE WAY FORWARD: OVERVIEW



PRINCIPLES GUIDING TOURISM GROWTH

The following five principles should guide the actions of all individuals and organisations related to tourism growth in **Aberdeenshire** during the lifetime of this strategy:



SUSTAINABLE GROWTH

Growth should be sustainable over the long term for the environment, society and economy. Protecting our natural and built environment, while ensuring the wellbeing of local people should set us apart as a competitive strength



LEADERSHIP

Businesses should take the initiative in finding ways to work together to improve the visitor experience, share information and make **Aberdeenshire** stand out against its competitors. They should take a greater role in developing the destination and owning the success it brings



GOVERNANCE

Government agencies should take a joined up approach to planning and implementation, working to support the continual growth of the visitor economy as a key pillar of **Aberdeenshire's** economy



EMPLOYMENT

The tourism sector in **Aberdeenshire** should provide increased opportunities for employment, creating jobs that are fair, inclusive and offer good prospects for career advancement, especially for young people



COLLABORATION

All tourism stakeholders should work together within **Aberdeenshire**, and beyond where relevant, in pursuit of the objectives set out in this strategy

THE WAY FORWARD: PRIORITIES

Guided by the five principles described overleaf, the following specific priorities are all aimed at achieving the overall strategy objective to increase annual visitor spend from overnight and day visits to **£1bn per annum** by 2023. In response to these objectives, a comprehensive set of recommendations and associated actions has been developed, a summary of which is available on pages 15-17. Detailed action plans for the six sectors are in development and will be agreed through industry dialogue from spring 2018 onwards.

Develop a great visitor experience:

- Develop experiences that will attract visitors to explore the full territory of Aberdeen and Aberdeenshire all year round in support of a strong visitor economy
- Optimise visibility and distribution of **Aberdeenshire's** tourism experiences through online and offline distribution channels
- Focus on transport connectivity to **Aberdeenshire** from its key inbound markets, and around the destination
- Build digital connectivity to ensure that visitors can navigate freely around **Aberdeenshire** and connect easily with tourism suppliers
- Achieve optimal use of Aberdeen's accommodation resources
- Ensure that destination development in **Aberdeenshire** is consistently aimed towards protecting and enhancing the area's environment, economy and society
- Create a regulatory environment that promotes the growth of the visitor economy and a fair trading environment for all
- Raise the quality of employment in tourism and its attractiveness as a career



Inspire and attract visitors with our story

- Strengthen and diversify the 'Destination **Aberdeenshire**' brand in the minds of actual and potential visitors
 - Ensure that the 'Destination **Aberdeenshire**' brand is consistent with the experience and local sentiment
- Continually monitor the drivers of tourism growth in **Aberdeenshire**, and how the destination's competitive position can be improved



THE WAY FORWARD: PRIORITIES FOR BUILDING OUR COMPETITIVE STRENGTHS

BUSINESS EVENTS

- Ensure that Aberdeen presents a highly compelling and competitive offer when bidding for targeted Business Events
- Develop a team Aberdeen approach to attracting and hosting business events, meeting the needs of organisers and delegates alike, maximising opportunities for secondary spend

CRUISE

- Develop a compelling shore excursion programme that appeals to cruise passengers and meets the requirements of cruise operators in order to secure ports of call at Aberdeen Harbour

GOLF

- Attract golf visitors from other areas of Scotland to stay and play golf in **Aberdeenshire**
- Encourage existing golf visitors to spend longer in **Aberdeenshire** and include more activities in their visit

CULTURE, HERITAGE AND EVENTS

- Associate the wide variety of events which take place in **Aberdeenshire** more clearly with the overall destination brand, strengthening the uniqueness of visiting **Aberdeenshire** and attracting new audiences.
- Ensure that visitors are able to easily discover our culture and heritage in combination with other activities

FOOD AND DRINK

- Develop experiences surrounding food production, preparation and service in order to help visitors understand and enjoy our food and drink as a memorable part of their visit
- Raise the quality of employment in the food and drink sector, and its attractiveness as a career

TOURING AND THE GREAT OUTDOORS

- Develop themed routes that encourage and help visitors to explore **Aberdeenshire** widely
- Capitalise on **Aberdeenshire's** natural scenery to develop walking, cycling, marine and country sports tourism, giving the region a strong position in the market for active holidays

SUMMARY OF RECOMMENDATIONS & ACTIONS

Develop a great visitor experience

Short to Mid Term: 2018-2021 – Action Plan

RECOMMENDATIONS	ACTIONS	KEY PARTNERS INCLUDE
Encourage tourism businesses to make optimal use of traditional B2B and digital channels to deliver their products and packaged experiences to market	Implement a market readiness programme, including digital training to help businesses understand, and connect with travel distribution chains to secure inclusion of more Aberdeen and Aberdeenshire product in operator programmes	VA SE Digital Tourism Scotland
Develop a wider range of experiences around Aberdeenshire in order to attract a more diverse range of traveller profiles ('personas') e.g. food lovers	Industry groups in key sectors to Identify gaps. Advise businesses on how to turn assets into experiences. Develop itineraries	VA SE
Optimise connectivity into Aberdeen and Aberdeenshire from key inbound markets (international and domestic)	Work with airlines and other transport providers to strengthen connections with Aberdeenshire's core UK and European source markets Encourage competitive pricing among transport operators through partnership marketing campaigns with transport operators	VA AIA Rail & Coach Operators
Strengthen collaboration with accommodation providers in planning around the development of the six sectors identified in this report.	Work with accommodation providers to raise awareness of the value of six sectors and resulting business opportunities, particularly around group activities	ACSHA VA AECC
Embrace the collaborative economy for its scope for contributing to a strong visitor economy	Monitor and assess collaborative economy activities in the tourism industry in Aberdeenshire Work with relevant regulatory authorities to assess impact of collaborative economy activity on local residents and address areas of conflict (taking guidance from Scottish government legislation)	SE VA All
Work with public bodies and telecoms operators to address gaps in digital connectivity to allow for easy navigation for visitors and trading opportunities for businesses	Establish dialogue with relevant public bodies and telecoms operators to address blackspots in areas of visitor concentration	AC Industry
Develop a skilled labour force that is willing and ready to contribute to growing Aberdeenshire's visitor economy	Develop partnerships with public bodies, the education sector and tourism businesses to encourage the development of a skilled labour force, prioritising skills which are currently in demand, and will be during the period of this strategy	SDS SE
Utilise Aberdeenshire's natural and built assets	Based on the six-sector framework in this strategy, identify assets to be converted into experiences	CNP CBP VA AC
Develop a reputation for sustainability and create a competitive advantage by encouraging best practice in environmental protection and enhancement	Carry out sustainability audit to assess existing awareness and adherence to sustainability criteria. Adopt recommendations with the aim of improving ranking/score	AC ACC
Ensure integration of public transport networks with visitor needs, with a focus on 'final mile'. Ensure good road conditions and wayfinding along key visitor routes	Work with public transport operators to ensure high-quality and consistent public transport information and mapping across visitor interfaces (mapping apps, VA website). Based on determined routes, roll out physical and virtual wayfinding infrastructure as required	Operators VA AC ACC

Inspire & attract visitors with our story

Short to Mid Term: 2018-2021 – Action Plan

RECOMMENDATIONS

Use insights and analysis to determine the most effective weighting among target markets and segments that adhere to product fit, return on investment and potential for growth.

Work with VisitScotland, VisitBritain, and commercial (within and outside tourism) partners in optimal markets, aligned to National Strategy classifications:

- Home Turf
- Near Neighbours
- Distant Cousins

Communicate the true diversity of experiences in **Aberdeenshire** through marketing activity to attract a more diverse range of traveller personas in the longer term

Work with public bodies and the tourism industry to define a 'Destination **Aberdeenshire**' brand and appropriate sub sets relevant to specific geographies and sectors (e.g. Aberdeen + Business Events)

Engage local communities to help define the destination story, in order to close gaps in understanding and ensure that messaging reflects local views and values.

ACTIONS

VisitAberdeenshire to monitor market trends, pooling primary research with insights from National Tourism Agencies to inform a new marketing strategy, and that all tourism stakeholders can use to stay up to date with and adapt to market trends. To include an annual qualitative research programme to monitor perceptions and quality of experience

Refine and adapt the VisitScotland International personas to identify the personas that offer the best prospects for growth in visit and spend in **Aberdeenshire**

Focus on communications activity that drives awareness of the destination in the build up to and throughout 2019 through revised VA campaigning & channel approach, including intermediary channels, uplifted PR and influencer activity

Ensure tourism sector supports any local in-region campaign ideas and proposals

Carry out joint tactical marketing actions with transport operators, and other commercial partners who can extend the reach of the destination message.

If VFR levels remain high, develop locally-oriented campaign to encourage family days out and minibreaks in **Aberdeenshire** away from home.

Develop a Destination **Aberdeenshire** branding toolkit for use by tourism stakeholders. Online training and guidance for using it.

Strengthen relationships with other government promotion agencies involved in promoting Aberdeen and Aberdeenshire (e.g. VS, VB) to ensure synergies and opportunities for joint-promotion activities

Include local resident sentiment consultation/reflection in the development of the six sectors and for specific geographies

KEY PARTNERS INCLUDE

VA
VS

VA
VS
Industry partners

VA
VS
Local Associations

VA
AGCC
ACC
AC
Local media

HOW WILL WE MEASURE SUCCESS?

With all our effort and resources dedicated to achieving our ambition of growing the visitor economy, it is important to know that we're on the right track, and where improvements can be made. Therefore, a series of high level key performance indicators (KPIs) has been developed to help measure the performance of the tourism sector in **Aberdeenshire**:

<i>KPI</i>	What does it tell us?
<i>GVA Hospitality Sector</i>	The value of the contribution of the hospitality sector to the regional economy
<i>Inbound Visitor Numbers (Overnight)</i>	An understanding of overseas source markets and weighting against domestic visitor numbers
<i>Domestic Visitor Numbers (Overnight)</i>	The number of domestic visitors and where they come from
<i>Inbound Visitor Spend (Overnight)</i>	The value of spend coming into the region from overseas and the relative value of source markets
<i>Domestic Visitor Spend (Overnight)</i>	The value of domestic spend coming into the region
<i>Day Visitor Spend</i>	The impact of day visits, including cruise business, into the region, as opposed to overnight spend
<i>Average Saturday Night RevPar</i>	Saturday night figures will provide a clearer indicator of overnight leisure revenue as opposed to leisure and corporate combined
<i>Perceptions Survey</i>	The effectiveness of brand development work undertaken in market
<i>Visitor Survey</i>	The quality of the visitor experience through primary research within the destination
<i>Stakeholder Readiness Survey</i>	This will illustrate the competitive strengths and weaknesses in the distribution chain

SECTOR-SPECIFIC INDICATORS

A range of KPIs has been developed in order to measure the performance of six sectors. These will be applied to the detailed action plans, and reviewed as plans are implemented.

A COLLECTIVE EFFORT

The visitor economy is complex; with demand coming from a wide range of markets, and supply which is delivered across a range of sectors and activities. Therefore, collecting the data is a complex but necessary task, since it helps everyone to ensure we're delivering on our objectives. All of **Aberdeenshire's** tourism stakeholders will have a role to play in collecting this data in an accurate and timely way.



GET INVOLVED

Work is already underway to deliver on the recommendations in this strategy, and VisitAberdeenshire and its partners will provide regular updates on progress. This is our collective destination strategy so do get involved. To learn more about the progress in achieving the objectives of this strategy:

- Sign up to VisitAberdeenshire's Stakeholder Newsletter and keep up-to-date with our plans and activities;
- Come along to VisitAberdeenshire's planned series of events running from Spring 2018 onwards where you can contribute to the Action Plans;
- Keep an eye out for updates on our website <https://industry.visitabdn.com>

ACKNOWLEDGEMENTS

We would like to thank all the respondents to the November 2017 industry consultation:

Aberdeen City Council, Aberdeen Douglas Hotel, Aberdeen Inspired, Aberdeenshire Council, Aboyne Golf Club, Aden Caravan and Camping, Alexander Farms Limited, Anchor Hotel, Arbuthnott Holiday Lets, Ardmiddle Mains Cottages, Atholl Hotel, Aurora Guest House, Ballater Hostel, Banffshire Coast Tourism Partnership, Banffshire Holiday Cottages, Books and Beans, Braemar Castle, Buchan Development Initiative, Buchanan Food, Butler's Guest House, Cairngorm Lodges, Carmelite Hotel, Castle of Park, Cairngorms National Park Authority, Coynachie Guesthouse, Craigston Castle, Cranford Guest House, Crathie Opportunity Holidays, Cyclehighlands Limited, Dalriada Properties Limited, DCSC, Deveron Lodge Guest House, Doubletree by Hilton Aberdeen City Centre, Doubletree by Hilton Aberdeen Treetops, Douneside House Limited, Dunnottar Castle, Elma McMenemy Tourism, Fife Lodge Hotel, Foodstory Café, Frances Cameron Tour Guide, Fraserburgh Heritage Society Limited, Glen Tanar Estate, Gourdon Schoolhouse B&B, Grampian Transport Museum, Highlands Hospitality – The Fife Arms Braemar, Hilton Garden Inn, Holiday Inn Aberdeen West, Holiday Inn Express, Holiday Inn Express AECC, Home from Home Aberdeen, Johnshaven Heritage Hub Museum, Kirk View Cafe @ Bistro, Logie Country House, Lys-Na-Greyne, Marcliffe Hotel @ Spa, Marriott Hotel, Meldrum House, Mill of Nethermill Holidays, Murcar Links Golf Club, Museum of Scottish Lighthouses, National Trust for Scotland, North East Scotland College, Osborne House Bed and Breakfast, Our Mearns Tourism Association, Park Inn by Radisson Aberdeen, Peterhead Prison Museum, Pitmedden Garden - National Trust for Scotland, Portsoy Ice Cream, Robert Gordon University, Scotland Unpacked, St Margarets Trust Braemar, Starfish Studio, Struan Hall, taste .. Braemar, The Butterworth Gallery, The Chester Hotel, The Fife Arms, The Grassic Gibbon Centre, The Invergarry – Aboyne, The Mariner Hotel Limited, Tomintoul Art Gallery, Wairds Park Johnshaven, Watergaw Ceramics - Pottery and Gallery, Your Scotland Tour, Ythan Valley Campsite.

We would also like to thank the following organisations for contributing their time and insights to the development of this strategy:

Aberdeen City Council; Aberdeen Harbour; Aberdeen and Grampian Chamber of Commerce; Aberdeen Inspired; Aberdeenshire Council; Banffshire Coast Tourism Partnership; Cairngorms Tourism Partnership; Glen Tanar Estate; Opportunity North East; Regeneris; Scottish Enterprise; Scottish Tourism Alliance; SMG – Europe; VisitScotland.

The work on this strategy has been funded by Scottish Enterprise and developed by VisitAberdeenshire in cooperation with Toposophy Ltd on behalf of the tourism industry in North East Scotland. It was compiled following a 6-month consultation process with a wide range of public bodies, tourism industry associations and leading businesses from November 2017 to March 2018. It was published in April 2018.



PUBLISHED BY: VISITABERDEENSHIRE, APRIL 2018

**TOURISM MARKETING AND DEVELOPMENT IN
NORTH EAST SCOTLAND IS SUPPORTED BY:**

Aberdeen City Council

Aberdeenshire Council

Opportunity North East

Scottish Enterprise

VisitScotland

SECTOR-SPECIFIC RECOMMENDATIONS – BUSINESS EVENTS

NEAR FUTURE: 2018-2019 – DRAFT ACTION PLAN

Recommendations	Actions	Key Partners
<p>Destination Marketing: Raise the profile of Aberdeen as a business events destination among targeted buyer groups using the new venue as the major hook around which core MICE / Business events product can be promoted.</p>	<p>The nascent Aberdeen Convention Bureau to devise a destination marketing plan focussing on highly targeted channels to market, working with VisitScotland and VisitBritain to extend the reach of the Aberdeen message.</p>	
<p>Targeting Events (1): Use research to understand which business events will generate the greatest impact for Aberdeenshire’s visitor economy, and the wider economy of the North East.</p>	<p><i>Carry out research to understand the profile and potential impact of business events in Aberdeen, and analyse Aberdeen’s competitive strengths in the market beyond current known strengths and align with the wider NE vision.</i></p> <p><i>Build relationships with associations, the academic sector and individual businesses related to the northeast’s strongest economic sectors in order to attract business events related to those sectors.</i></p>	
<p>Targeting Events (2): Develop a coordinated approach in competing for events that includes venue(s), the convention bureau, local authorities, academic institutions and tourism suppliers in order to optimise the chance of bid success.</p>	<p><i>Using the existing Ambassador Programme as the basis, form a cross City Business Events group to ensure that all relevant touch points are factored into bids, and event delivery.</i></p>	
<p>Understanding Client Requirements: Improve understanding of the profile and requirements among different client types, eg. venue; civic welcome; connectivity; transport; accommodation; study tours.</p>	<p><i>Use insights from industry associations and industry media; plus primary intelligence from prospective and secured clients to determine strengths and gaps in the Aberdeen offer.</i></p>	
<p>Focus on Delegates: Understand the motivations of business event delegates to maximise delegate sign</p>	<p><i>Use industry insights to keep pace with the changing requirements of event delegates.</i></p>	

<p>up to secured events and associated spend.</p> <p>Match Aberdeenshire's strong leisure assets to delegate profiles and expectations.</p>	<p><i>Develop a high-quality portfolio of tourism experiences aimed at serving the needs and interests of business event visitors before, during and after their event and that encourage additional overnight stays and visitor spend in Aberdeenshire.</i></p>	
<p>Maximising Impact (1): Create mechanisms to connect business events with their respective sectors in Aberdeenshire in order to enhance knowledge sharing and innovation among businesses in the North East, and promote the area as a good place to live and work.</p>	<p><i>Strengthen relationships with academic and commercial operators and investment agency to secure their involvement in event planning. Benchmark approaches of other UK cities.</i></p> <p><i>Ensure consistency of marketing approach with investment agency in presenting destination Aberdeenshire proposition.</i></p>	
<p>Measuring Success: Develop and implement tools for monitoring the economic impact of business events in Aberdeen and visitor satisfaction.</p>	<p><i>Use the event IMPACTS framework identified in the National Event Strategy to monitor the economic impact of business events in Aberdeen.</i></p>	
<p>MID TERM: 2020 -2021 – RECOMMENDATIONS</p>		
<p>Targeting Events (3): Monitor Aberdeen's competitive position in attracting business events and in optimising visitor volume and spend against UK and international competitors</p>	<p><i>Include benchmarking analysis as part of Business Events development programme, based on UK standards.</i></p>	
<p>Business Event Development: Review and upgrade business events infrastructure within: conference centres, hotels, universities or more unusual venues such as castles, museums, sporting venues, leisure centres etc.</p>	<p><i>Conduct review of venue portfolio in Aberdeen local area.</i></p> <p><i>Work with venue management to identify and cater to evolving needs of business events visitors.</i></p> <p><i>Carry out marketing campaigns to promote general awareness of additional venues alongside AECC promotion.</i></p>	
<p>Maximising Impact (2): Seek collaboration with leisure event organisers (e.g. art fairs, food festivals) to schedule events that</p>	<p><i>Encourage coordination between leisure events and business events teams (and AECC management) to identify opportunities for complementary scheduling.</i></p>	

<p>complement major business events in Aberdeen.</p>		
<p>Focus on Delegates (2): Develop initiatives that encourage business event visitors to bring their partner/family/friends to visit Aberdeenshire, either to coincide with the business event itself, or in a subsequent visit.</p>	<p><i>Work with accommodation providers to develop promotions that encourage business events visitors to bring additional visitors and extend their stay.</i></p>	

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SECTOR-SPECIFIC RECOMMENDATIONS – CRUISE

NEAR FUTURE: 2018-2019 – DRAFT ACTION PLAN

Recommendations	Actions	Key Partners
Fully understand the economic potential for the wider region from cruise arrivals at the expanded harbour.	<i>Commission an economic impact forecast study that focusses specifically on cruise.</i>	
Develop a marketing programme to help position Aberdeen as the premier port stop for cruises visiting Scotland.	<i>Develop the CruiseAberdeenshire programme as the lead organisation in coordinating marketing and product development in cruise tourism.</i>	
Develop shore excursion products that meet the needs of cruise operators and secures inclusion in cruise itineraries.	<i>Carry out research to assess benchmarks with competitors. Develop CruiseAberdeenshire programme with ongoing product and welcome review, and periodic product innovation.</i>	
Develop partnerships between public bodies, port authorities, handling agents, transport operators and other key stakeholders to ensure a carefully-coordinated, high-quality welcome for cruise passengers arriving in Aberdeen from the first cruise arrival at Aberdeen South Harbour.	<i>Dissemination and discussion of Cruise Aberdeen Business Opportunities Guide (Oct 2017)</i> <ul style="list-style-type: none"> ○ <i>Alignment with strategic recommendations set out in the Cruise Aberdeenshire Final Report</i> ○ <i>B2B events agenda to update businesses on progress</i> ○ <i>Public awareness campaign (to listen, learn and mitigate negative effects)</i> 	
In partnership with cruise lines, handling agents and other key stakeholders, create a cruise-friendly business environment.	<i>Carry out training among local businesses in Aberdeen on cruise company and customer requirements.</i>	

MID-TERM: 2020-2021 - RECOMMENDATIONS

Position Aberdeen and Aberdeenshire as the accessible cruise destination of choice for a compelling Scottish visitor experience.	<i>Carry out research to assess the economic impact of cruise tourism in Aberdeenshire. Develop programmes and initiatives to ensure that Aberdeen offers a high-quality experience in terms of</i>	
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	<i>visitor satisfaction, range of excursions and activities available, value for money and ease of movement around the destination.</i>	
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SECTOR-SPECIFIC RECOMMENDATIONS – GOLF

ONGOING: 2018-2023 – DRAFT ACTION PLAN

Recommendations	Actions	Key Partners
<p>Create targeted marketing campaigns to enhance Aberdeenshire's profile as a 'must play' destination within Scotland, segmenting activity to ensure that the spread of the Aberdeenshire golf product is marketed to relevant audiences (e.g. Parkland, Links) high net worth audiences – 'luxury golfers' and 'holiday golfers' (as defined by VisitScotland).</p>	<p><i>Carry out campaigns and initiatives through the golf trade press, develop partnership marketing activities with golf clubs eg. ambassador programme.</i></p> <p><i>Offer "golf trails" range of options; Scottish Links, Royal Deeside, highlighting iconic course designers, for example James Braid and Old Tom Morris.</i></p>	
<p>Grow the share of golfers to Scotland who choose Aberdeenshire as their principal golfing destination, and develop initiatives to encourage loyalty.</p>	<p><i>Develop campaigns, initiatives and associated offers that highlight the history of golf in Aberdeenshire and the high quality of courses.</i></p> <p><i>Collect insights & contact information on existing visitors to develop loyalty programme.</i></p>	
<p>Increase the share of 'holiday golfers' and 'luxury golfers' (as per the Visit Scotland Golf Visitor Survey) and seek ways to increase their overnight stays and spend 'off course'.</p>	<p><i>Encourage partnerships, dialogue and knowledge-sharing between golf clubs and local tourism businesses in order to improve:</i></p> <ul style="list-style-type: none"> <i>○ The overall quality of the visitor experience</i> <i>○ Packaging of experiences for golfing visitors (e.g. with food and dining, whisky tours)</i> <i>○ Information for golfing visitors about places to play at, characteristics of golf courses and what to do in the local area</i> <p><i>Develop trade marketing programme to connect more tourism businesses with golf tourism trade events.</i></p>	

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SECTOR-SPECIFIC RECOMMENDATIONS – CULTURE HERITAGE AND EVENTS

NEAR FUTURE: 2018-2019 – ACTION PLAN

Recommendations	Actions	Key Partners
<p>Culture & Heritage: Position Aberdeenshire in the market as an accessible, compelling alternative to Edinburgh and the surrounding area for the authentic Scottish visitor experience:</p> <ul style="list-style-type: none"> ○ Highlight the geographical scope and rich thematic diversity of Aberdeenshire's culture and heritage. ○ Clearly associate Aberdeenshire with the core brand appeal of Scotland. ○ Emphasise the ease of access from Aberdeen and the opportunity to become quickly 'immersed' in the wider region. ○ Raising awareness of the contemporary culture opportunities, relating it to famous places from film & TV. 	<p><i>Work with VisitScotland to ensure that Aberdeenshire is well positioned in overseas marketing campaigns that focus on Scottish culture.</i></p> <p><i>Develop relationships with national and regional cultural associations (e.g. music, dance, folk) to identify points of attraction to visitors and participation in marketing activities.</i></p> <p><i>Join forces with flagship cultural and heritage venues within the region to help define the North East proposition and promote the experience beyond Aberdeenshire.</i></p> <p><i>Create an events toolkit for event planners to help them promote events via official tourism marketing channels and widen the appeal of their event to visitors.</i></p>	
<p>Events: Create distinctive 'Seasons' as umbrellas to promote key events and festivals under – drawing on the North East's distinctive attributes.</p>	<p>Scope and test creative ideas for umbrella seasons.</p> <p>Apply to marketing and communications activity when promoting applicable events.</p> <p>Use as a lever to attract commercial sponsorship and transport offers around events and festivals.</p>	
<p>Events: Improve understanding of the scale and value of events & festivals taking place in Aberdeenshire that attract, or have the scope to attract, visitors in order to plan a co-ordinated approach to scheduling, promotion and</p>	<p><i>Undertake an event mapping exercise across the Region to provide a clear picture of what is taking place and when, to identify potential to draw in visitors and estimate the associated value.</i></p>	

<p>maximising the benefits from these events.</p> <p>Use industry standard evaluation metrics, such as eventimpacts.com.</p>	<p><i>Complete the current evaluation exercise (2018) to inform future positioning.</i></p>	
<p>Events: Consider programmes or initiatives that help to share innovation and good practice to improve delivery and attraction among Aberdeen and Aberdeenshire event and festival organisers.</p>	<p><i>Research applicability of Knowledge Transfer Programmes.</i></p> <p><i>Scope potential to extend new Tourism Development initiatives (eg. Skills and market insights) to the events and festivals sector.</i></p>	
<p>MID-TERM: 2020-2021 - RECOMMENDATIONS</p>		
<p>Culture & Heritage: Continue to improve knowledge sharing and collaboration in the heritage sector in order to improve curation, marketing and delivery of heritage attractions that lead to increased visitor volume, spend and length of stay.</p>	<p><i>Carry out training to build digital skills among the workforce in the heritage sector, particularly in customer service and digital marketing.</i></p>	
<p>Culture & Heritage: Build on elements of Aberdeenshire's heritage that resonate with potential visitors in order to create an attractive and authentic heritage product with associated marketing initiatives.</p>	<p><i>Work with Regional stakeholders to create compelling cultural and heritage product offers which turn assets into experiences.</i></p> <p><i>Collaborate with the national Heritage Tourism Group, and local stakeholders to maximise the product development and joint marketing opportunities emerging from the Heritage Tourism 2020 Strategy</i></p>	
<p>Events: Continue to develop joint marketing programmes with event venues and organisers to extend the appeal of events beyond Aberdeenshire and widen visitor appeal, testing the success or otherwise of the seasonal umbrellas.</p>		
<p>Events: Improve skills and career perceptions within this sector - specifically visitor service skills, wider</p>	<p><i>Further strengthen relationships with educational and training providers to identify and promote</i></p>	

ambassadorial skills, marketing and the overarching need for professionalism.	<i>skills development opportunities and pathways within the cultural and heritage sectors.</i>	
Events: Carry out consistent evaluation of the economic impact of events and festivals in Aberdeenshire in line with national measurement and monitoring practices.	<i>Set up programme for monitoring impact of leisure events using KPIs provided through EventIMPACTS.</i>	
LONG TERM: UP TO 2023 - RECOMMENDATIONS		
Culture & Heritage: Develop initiatives to link Aberdeenshire's culture and heritage with other sectors of this strategy such as touring, cruise, business events and golf.		
Heritage: Improve accessibility (via public transport and themed routes) to heritage attractions. Improve provision of practical 'how to' information.	<i>Collaborate with transport stakeholders to ensure visitors experience a quality, authentic product. Consider clusters and route development, combined passes and itinerary development.</i>	
Events: Develop new events and festivals as and when required to meet demand that support the core products identified by this strategy, in particular: golf, culture & heritage, food & drink, and touring & the great outdoors.	<i>Collaborate with event stakeholders within the Region to review existing events, identify market opportunities and events to satisfy these market opportunities.</i>	
Culture & Events: Adopt initiatives that help sustain the development of cultural events that have capacity to grow the volume and value of tourism in Aberdeenshire .	<i>Position events and festivals seasonally, that complement Aberdeenshire's strengths (e.g., long winter nights, long summer days).</i>	

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SECTOR-SPECIFIC RECOMMENDATIONS – FOOD AND DRINK

NEAR FUTURE: 2018-2019 – DRAFT ACTION PLAN

Recommendations	Actions	Key Partners
Assist the development of new, and improve the quality of existing, food and drink based visitor attractions, experiences and events.	<i>Group work to identify and share best practice, foster collaborative working which can lead to product packages and joint marketing, and to pull in specialists to aid this development.</i>	
Develop opportunities for local food and drink producers to sell at the wide range of events held within the region, with the dual aim of increasing sales of local food and drink, but also to provide all visitors to the NE with an authentic and distinctive food offering.	<i>Research and develop templates and training for successful street food and pop-up shop ventures, including collaborative models which may allow smaller business to gain access and grow.</i>	
Connect Aberdeenshire 's food and drink experiences better with online distribution channels such as table booking engines, activity booking sites and collaborative economy platforms.	<p><i>Carry out market analysis to identify major food and drink distribution platforms.</i></p> <p><i>Research value of a centrally managed Food and Drink Tourism website/ platform, within the overall VisitAberdeenshire website. Investigate the need for a dedicated manager/ developer and how they and the platform might be self-sustaining.</i></p> <p><i>Carry out training to improve digital capabilities among food producers, suppliers and restaurants.</i></p>	
Work with locally based global food and drink brands to extend the reach of the destination message and attract more visitors.	<p><i>Establish a Destination Aberdeenshire Food and Drink Programme and invite signature product brands to join.</i></p> <p><i>Implement joint marketing initiatives in identified Core Markets where the signature brands are present</i></p>	

	<i>Assess potential for agri tours.</i>	
Carry out research to understand the brand perception of food and drink in Aberdeenshire compared to competitor destinations.	<p><i>Develop relationships with major online platforms to encourage data sharing, business training and optimal positioning of Aberdeenshire's food and drink tourism providers.</i></p> <p><i>Carry out training in digital capabilities among these providers to ensure optimal product positioning and distribution.</i></p>	
Identify the gap in chef/ culinary/ gourmet skills required to underpin a food tourism strategy which would bring in more visitors with high expectations.	<i>Research the skills gap and scope a programme to develop and promote gourmet chefs and venues, with the emphasis on young talent.</i>	
Give a higher profile to food and drink in promotion of events and festivals	<i>Engage event and festival organisers in food and drink promotion. Encourage groups of food service businesses to make event themed offers.</i>	
Raise awareness amongst food service businesses of the importance of utilising locally sourced food and drink and communicating this clearly to customers.	<p><i>Augment activity to bring together local food producers and food service providers.</i></p> <p><i>Encourage food service businesses to tell the local food story of the producers they utilise.</i></p> <p><i>Encourage uptake of the VisitScotland Taste Our Best food and drink Quality Assurance scheme which recognises businesses which utilise local/Scottish produce.</i></p>	
MID-TERM: 2020-2021 - RECOMMENDATIONS		
Following the 2018/19 development phase, develop and deliver a digital promotion programme for the NE Food and Drink Tourism offering,		

<p>perhaps tapping into the VisitScotland Growth Fund.</p> <p>Develop a strong portfolio of food and drink related experiences (including attractions, food tours, home dining, cafes and restaurants) to match emerging opportunities such as the cruise ship market.</p> <p>Promote opportunities for cross promotion of food and drink experiences with other core sectors identified by this strategy, in particular: business events, golf, cruise, culture & heritage, and touring</p> <p>Develop a strong product proposition for Food-Loving Culturalists, leveraging their influence in recommending Aberdeenshire to friends and relatives. This to be promoted through the programme described above.</p>		
<p>Connect the supply of a skilled catering workforce with demand. Highlight catering as a career path of choice.</p>	<p><i>Establish and nurture strong strategic relationships with tourism and catering schools in Aberdeenshire and the rest of Scotland, and Aberdeenshire's food service sector. Identify and fulfil skills gaps in line with national skills programmes</i></p>	
<p>Connect the supply of a skilled catering workforce with demand. Highlight catering as a career path of choice. Elevate the gourmet chef/venue image of the NE.</p>	<p><i>Establish and nurture strong strategic relationships with tourism and catering schools in Aberdeenshire and the rest of Scotland, and Aberdeenshire's food service sector. Identify and fulfil skills gaps in line with national skills programmes. Deliver a programme to develop and promote gourmet chefs and</i></p>	

	<i>venues, with the emphasis on young talent.</i>	
LONG TERM: UP TO 2023 - RECOMMENDATIONS		
Carry out marketing programmes to help visitors (esp. international) to understand Aberdeenshire's role in UK food production and the provenance and exclusivity of its produce.	Encourage partnerships between local food producers, retailers, and restaurants in order to promote a stronger, more sustainable 'local food model'.	

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SECTOR-SPECIFIC RECOMMENDATIONS – TOURING AND THE GREAT OUTDOORS

NEAR FUTURE: 2018-2019 – DRAFT ACTION PLAN

Recommendations	Actions	Key Partners
<p>Carry out research to understand the dynamics of touring and outdoor activities sector, and how it can be optimised to increase visitor volume and spend.</p>	<p><i>Implement a research programme to generate insights on the dynamics of touring and outdoor activities, to include analysis of existing product offer and identify where gaps exist and potential for development.</i></p>	
<p>Ensure that visitors have the capability to plan and follow their own itineraries to explore Aberdeenshire.</p>	<p><i>Create online guides and suggested itineraries that feature pre-existing routes, from short to long routes in the wild areas to managed areas such as Country Parks and Estates. Ensure these guides link also to Culture and Heritage trails and routes.</i></p> <p><i>Cultivate relationships with accommodation providers, outdoor shops/rentals and attractions along pre-existing routes to build awareness of the needs of touring visitors.</i></p>	
<p>Enhance the appeal of existing walking, running and cycling routes in Aberdeenshire, and investigate scope for creating new routes.</p>	<p><i>Establish relationships with local and national walking/running/cycling/kite surfing/water sports associations to carry out joint promotion activities.</i></p> <p><i>Identify, attract and support competitive and group events related to these activities, which can offer the greatest impact in terms of overnight stays and visitor spend.</i></p> <p><i>Carry out public and tourism stakeholder consultation identify routes that provide greatest potential to boost visitor volume, spend and length of stay. To include a review existing routes and evaluate potential new routes.</i></p>	

Establish a strategic partnership with the Cairngorms Business Partnership to enhance Aberdeenshire's brand association as the 'Gateway to the Cairngorms', and increase the overnight stays and spend in Aberdeenshire related to visits to the Cairngorms.	<i>Develop strategic partnership with CBP focussed on knowledge sharing on visitor profiles and behaviour, and promoting access to the Cairngorms through joint marketing campaigns via routes running through Aberdeenshire that offer the greatest potential for visitor volume and spend.</i>	
Explore options for a strategic partnership with Moray Speyside DMO to enhance brand association as 'gateway to Speyside'.		
Strengthen the 'nature on your doorstep' brand appeal of Aberdeenshire and highlight the breadth of experiences available within a short driving distance of the city.	<i>Carry out joint marketing activities with airlines, train operators and car hire companies to encourage visitors to 'arrive and drive'.</i>	
MID-TERM: 2020-2021 - RECOMMENDATIONS		
Establish a series of branded touring routes based on scenery and/or themes (e.g. Royal heritage, castles, coastal trail, NE250).	<i>Working with public bodies, public transport operators and the highways agency,- Explore opportunities for further developing and marketing the Deeside Way, Formatine & Buchan Way, and Coastal Path.</i>	
Ensure delivery of quality service and a customer centric approach along branded routes.	<i>Build relationships and carry out training with tourism businesses along branded routes in order to raise awareness of visitor needs, develop understanding of this market and particular requirements and foster a team approach to service delivery.</i>	
Carry out cross promotion campaigns with local sports associations, branded sports events, and other major players such as sports apparel brands.	<i>Establish relationships with relevant brands, associations and events to identify opportunities for cross promotion.</i>	
Ensure synergy with the market specific national strategies for turning assets into experiences by	<i>Where appropriate, ensure alignment with the recommendations set out in the strategy documents cited.</i>	

<p>adopting recommendations set out in the following plans:</p> <ul style="list-style-type: none"> ○ <i>Marine Tourism Action Plan 2015</i> ○ <i>Scottish Country Sports Tourism Strategy 2016-2020</i> 		
<p>Explore opportunities for growth in emerging event activities, such as geocaching and adventure racing.</p>		
<p>LONG TERM: UP TO 2023 - RECOMMENDATIONS</p>		
<p>Evaluate and seek scope for development of other adventure sports such as mountain biking and orienteering in Aberdeenshire.</p>	<p><i>Engage with relevant groups and associations to explore development opportunities.</i></p>	

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ABERDEEN CITY COUNCIL

COMMITTEE	City Growth and Resources
DATE	18 September 2018
REPORT TITLE	Christmas Village 2017 Feedback
REPORT NUMBER	PLA/18/2018
DIRECTOR	
CHIEF OFFICER	Richard Sweetnam
REPORT AUTHOR	Dawn Schultz
TERMS OF REFERENCE	2.3 & 3.2

1. PURPOSE OF REPORT

- 1.1 The purpose of this report is to provide members with feedback on the Christmas Village 2017 as set out in the Council's Funding and Service Provision Agreement 2016 – 2019 with Aberdeen BID Company Limited trading as Aberdeen Inspired which runs from 1st August 2016 to 30th January 2019.

2. RECOMMENDATION(S)

That Committee:

- 2.1 note the evaluation of the Christmas Village 2017;
- 2.2 seeks annual feedback in the form of a committee report from Aberdeen Inspired annually in line with the Funding and Service Provision Agreement from August 2016-January 2019.
- 2.3 notes this is the final year of the Christmas Village Funding and Service Provision Agreement with Aberdeen Inspired. This is the penultimate report relating to the feedback for the Christmas Village as requested by the Finance Policy and Resources Committee. Future delivery of the Christmas Village to be discussed by Aberdeen City Council before the budget setting process in 2019.

3. BACKGROUND

- 3.1 Project Executive, Kate Timperley, will attend the Committee meeting to answer any questions arising from the Christmas Village 2017 feedback report.

3.2 The Christmas Village was first established by Aberdeen Inspired in November 2015.

The key objectives of the Christmas Village are:

- Create a festive offer in Aberdeen city centre on a par with other UK cities;
- Increase footfall in Aberdeen city centre during the festive period;
- Provide a positive economic benefit to Aberdeen city centre by encouraging the additional use of existing businesses.

3.3 Performance indicators for the Christmas Village include:

- Value of overnight stays and spend per head by visitor type;
- Day visitor numbers and spend;
- Gross Value Added of tourism in the destination economy;
- Customer satisfaction;
- Reputation measured through traditional and social media;
- Sentiment analysis.

3.4 Appendix 1 provides the detail on the research and analysis undertaken by Aberdeen & Grampian Chamber of Commerce on behalf of Aberdeen Inspired in relation to the Christmas Village.

3.5 Appendix 2 provides the accounts for the 2017 Christmas Village.

3.6 Forthcoming priorities / next steps:

- Developing the layout/ location of the Christmas Village in 2018;
- Building on the Christmas narrative with the development of a strong marketing campaign for the city, and region in conjunction with Visit Aberdeenshire;
- Ongoing engagement with city centre businesses to enhance the Christmas Village offer while showcasing local, quality products through supply chain development.

4. FINANCIAL IMPLICATIONS

4.1 The Council contributes a total of £150,000 per annum to Aberdeen Inspired towards the delivery of the Christmas Village.

4.2 The Funding and Service Provision Agreement with Aberdeen Inspired sets out the City Council's three-year contribution to the Christmas Village. This is the final year of the Service Level Agreement with Aberdeen Inspired.

5. LEGAL IMPLICATIONS

5.1 The risk to the Council is minimised as each event is governed by a specific contract/Funding and Service Provision Agreement between the organiser and the Council. This has been finalised in conjunction with the Chief Officer – City Growth, City Officer – Governance and Chief Officer – Finance. Any such agreement mitigates against any financial risk to the Council.

6. MANAGEMENT OF RISK

	Risk	Low (L), Medium (M), High (H)	Mitigation
Financial	None	L	
Legal	None	L	
Employee	Staff within the Council's City Growth Service work closely with colleagues in Customer and Operations to improve the city's economic and tourism performance and make it an even more attractive city to live, work, invest and visit.	L	The Chief Officer – City Growth will identify and allocate resources to deliver the programme of Christmas activities taking into consideration the wellbeing of relevant officers.
Customer	Aberdeen's city events programme is key to the destination promotion that Aberdeen City Council, Visit Aberdeenshire, Aberdeen Inspired and Visit Scotland currently undertake.	L	Should this diverse and engaging programme not continue, then Aberdeen could potentially cease to be an attractive destination for visitors and residents with economic spend being distributed elsewhere in Scotland and event organisers considering alternative delivery locations.
Environment	None		
Technology	None		
Reputational	Aberdeen City Council and Aberdeen Inspired uphold the principles of the Common Good Fund. The cessation of this event could result in the breakdown of projects 'which are good for the community as a whole'.	L	This is mitigated by the experience of Council officers in securing and supporting the delivery of events by the local authority and external event organisers.

	There is a reputational risk to the Council if an event does not develop as planned.		
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7. OUTCOMES

Local Outcome Improvement Plan Themes	
	Impact of Report
Prosperous Economy	Events supported by the Council provide an opportunity to promote and enhance the long-term economic prosperity of Aberdeen and the wider region by attracting additional visitors to the city because of the event. In turn this attracts additional commercial activity in the city. Officers work with partners including Visit Aberdeenshire and Aberdeen Inspired to maximise both the benefit of events on city-centre businesses and provide information on the event itself.
Prosperous People	Supporting and delivering a diverse programme of city events is expected to improve the customer experience by: <ul style="list-style-type: none"> •Enhancing the reputation of the city for staging local, national and international festivals and events; •Better positioning of Aberdeen as a leisure tourism destination for those looking for new and unique event experiences; •Providing city infrastructure that attracts and supports external event organisers.
Prosperous Place	Should this diverse and engaging programme not continue, then Aberdeen could potentially cease to be an attractive destination for visitors and local residents with economic spend being distributed elsewhere in Scotland.

Design Principles of Target Operating Model	
	Impact of Report

Governance	<p>Representation on the Aberdeen Inspired Board ensures the Council can play a key role in the long-term development of Aberdeen city centre.</p> <p>Participation in Aberdeen Inspired Board improves the use of resources by ensuring that at a strategic level we fully understand the needs of destination development and marketing to help support economic and tourism growth, and delivery of the objectives in the City Centre Masterplan and the Regional Economic Strategy.</p> <p>Aligned to this, is its corporate role in providing confidence to the events market that the Council supports the attraction of the 'right' event for the city, and the contribution to wider economic, tourism and administrative objectives.</p>
Partnerships and Alliances	<p>Collaborating with local, regional and national partners improves our use of resources and maximising financial leverage to secure events. By working in partnership, the Council is able to share the workload and take lead or supporting roles where appropriate, without compromising the level of service delivered.</p> <p>Aberdeen Inspired has a significant role to play in promoting the activities arising from the City Centre Masterplan and their importance to city centre businesses.</p>

8. IMPACT ASSESSMENTS

Assessment	Outcome
Equality & Human Rights Impact Assessment	Not required
Privacy Impact Assessment	Not required
<u>Children's Rights Impact Assessment/Duty of Due Regard</u>	Not applicable

9. BACKGROUND PAPERS

9.1 None

10. APPENDICES (if applicable)

Appendix 1 – Aberdeen & Grampian Chamber of Commerce Christmas
Christmas Village Research & verbatim comments

Appendix 2 – Aberdeen Inspired Christmas Village accounts

11. REPORT AUTHOR CONTACT DETAILS

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ABERDEEN CITY COUNCIL

COMMITTEE	City Growth and Resources
DATE	18 September 2018
REPORT TITLE	Governance of Events 365 Advisory Group and Aberdeen Festivals
REPORT NUMBER	PLA/18/ 147
DIRECTOR	
CHIEF OFFICER	Richard Sweetnam
REPORT AUTHOR	Richard Sweetnam
TERMS OF REFERENCE	2.3 - consider reports on key actions by the Council towards the delivery of the Regional Strategy and the Inward Investment Plan

1. PURPOSE OF REPORT

- 1.1 The purpose of this report is to seek approval from the Committee on the proposed delivery and oversight model for Events 365 Advisory Group and Aberdeen Festivals.

2. RECOMMENDATION(S)

That the Committee:-

- 2.1 Approves the proposed model to contribute to the delivery of Aberdeen 365 Events Plan;
- 2.2 Notes the formation of a new informal Aberdeen 365 Advisory Group;
- 2.3 Notes the composition of the new Group and agrees to appoint the Chief Officer – City Growth and Councillor Boulton as the City Council’s representatives on the group;
- 2.4 Notes the terms of reference for the new Group; and
- 2.5 Notes the secondment of a Council officer to VisitAberdeenshire to fulfil the new city-centric events development and supporting delivery role.

3. BACKGROUND

- 3.1 On 24 April 2018, the Council's City Growth & Resources Committee instructed the Chief Officer City Growth to report back to the Committee with a review on the governance of the Events 365 Advisory Group and Aberdeen Festivals. This report provides a recommended approach based on that review.
- 3.2 On 9 March 2017, the Council's Finance, Policy & Resources Committee approved an operational plan and the establishment of an Events Group to oversee the delivery of the Aberdeen 365 Events Strategy.
- 3.3 In summer 2017, an operational Aberdeen 365 Group was set up to ensure greater coordination and collaboration across public and private stakeholders in delivery of all events and festivals in the city. This was to support and drive the implementation of the Aberdeen 365 Events Plan within the CCMP and the wider economic and tourism objectives for the city. It is comprised of:
- Council officers – City Growth;
 - EventScotland;
 - VisitAberdeenshire;
 - SMG Europe;
 - Aberdeen Inspired;
 - Sport Aberdeen;
 - Aberdeen Festivals;
 - Culture Aberdeen;
 - Aberdeen Performing Arts; and
 - Officers from Aberdeenshire Council.
- 3.4 The group has been successful in providing a framework across a number of external stakeholders who have an interest in events locally, nationally and internationally, and has provided an open forum to:-
- Work with SMG Europe to ensure that their conferencing and event attraction aims are supported through the partners represented;
 - Collaborate with VisitAberdeenshire on activities including destination development and future marketing campaigns;
 - Partner with Aberdeen Inspired in engaging city centre businesses to maximise the commercial opportunities associated with events held in the levy footprint;
 - Collaborate with Culture Aberdeen and the Council's Culture team and its support for existing Aberdeen Festivals;
 - Ongoing development and delivery of the tourism/events activity aligned to the City Centre Masterplan, and the Aberdeen 365 theme of a vibrant and exciting city.
- 3.5 The Aberdeen 365 group has created a consolidated list of all the events across the region, so a clash diary is available for reference when considering the attraction and delivery of events in the future.
- 3.6 Aberdeen Festivals was established under an initial pilot in 2014 and a steering group was set up comprising leading cultural festivals in the area. It aims to lead the development and management of 'Aberdeen Festivals', a programme which brings 10 different cultural festivals together to work collaboratively on marketing and programming, including a distinct identity for 'Aberdeen

Festivals', including specific branding and promotional material. The festivals in the collective are: Sound Festival, Spectra, Techfest, Mayfest, Portsoy Traditional Boat Festival, True North, North East Open Studios, Look Again, Aberdeen Jazz Festival and Dancelive.

- 3.7 Following on from the April 2018 Committee decision, officers have undertaken an extensive consultation on the overall review of events activity with Aberdeen Festivals Advisory Group, Culture Aberdeen, Aberdeen Performing Arts, VisitAberdeenshire, EventScotland and SMG Europe.

4. PROPOSED MODEL

- 4.1 From the consultations, three areas emerge. Aberdeen 365 informal Advisory Group; VisitAberdeenshire Conventions & Events Bureau; and Events/ Festivals Development and Delivery Support. Each of these has been tested with the stakeholders as they have been developed.

1. The Aberdeen 365 informal Advisory Group

- 4.2 Reviewing the activity of the first 12 months of the existing Aberdeen 365 Group, it is proposed that a new informal Advisory Group is formed that is comprised of the existing membership. The purpose of the Advisory Group is to:

- Interface with national events plans with Government agencies;
- Discuss pipeline events in the city in the context of existing (actual), planned and potential bids and future priorities;
- Oversee coordination across all events and festivals – local, national or international events; and business events;
- Oversee links to wider activity – culture, Events Complex Aberdeen, city centre eg Union Terrace Gardens and Broad Street; and organisations supported by the Council in the cultural sector;
- Consider financial implications of delivery of 'headline' event/ festival. Per the original Blue Sail strategy, these are established, new start-ups or bought-in events that:
 - secure a national and international profile for Aberdeen;
 - attract large numbers of visitors and new audiences;
 - will be of level of impact to achieve significant media coverage; and
 - will generate more overnight stays in the city;
- Oversee implementation of the Aberdeen365 Plan.

- 4.3 It is proposed that an Elected Member Councillor Boulton and the Chief Officer - City Growth participate in the informal Advisory Group

- 4.4 The existing evaluation criteria (from the March 2017 report) around which the Group will assess the deliverability events/ festivals will remain:

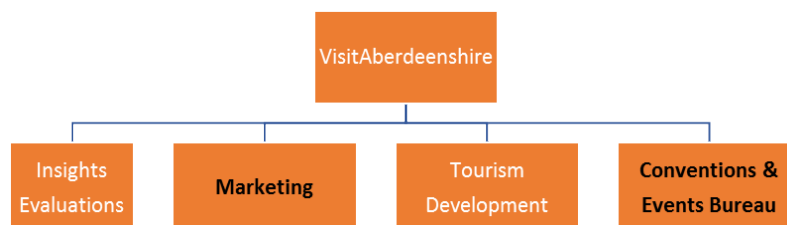
- The extent to which an event/ festival aligns/ contributes to the strengths of the city product in the Regional Economic Strategy, the Tourism Strategy and/ or Culture Aberdeen (including UNESCO Creative Cities bid in 2019);

- The extent to which an event/ festival supports the cultural distinctiveness of the city – its contribution to place making;
- ‘Legacy’ impacts of staging that event, and growing the city’s national and international reputation;
- The extent to which the event/ festival will attract visitors to the city centre, and from outwith the AB postcode – overnight/ return visits;
- The economic impact from the event/ festival – using the universally accepted impact model managed by EventScotland;
- Media profile – does the event/ festival have the potential to attract media attention, advancing Aberdeen and the region’s reputation nationally and internationally;
- Funding – if the Council contributes, what added-value is there from that investment in terms of leveraging external funding (e.g. EventScotland, sponsorship) and in-kind support.

4.5 Any reprioritisation of events may involve stopping funding of some current events, improving on some existing events that demonstrate the best impact against the criteria, bidding for existing high profile national and international events and stimulating the development of new proposals that may be funded via partners or other sources.

2. VisitAberdeenshire Conventions & Events Bureau

4.6 The new advisory group will be supported directly from within a new delivery resource being proposed that will operate from within VisitAberdeenshire - Visit Aberdeenshire Convention & Events Bureau. The Council supports delivery of VisitAberdeenshire as a tourism destination and marketing organisation. The illustration below shows how the organisation is structured.



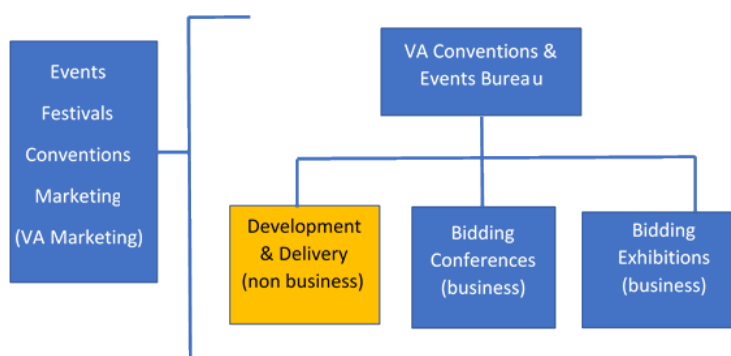
4.7 Under the proposed model, both the promotion and marketing activity of Aberdeen Festivals collective activity (the 10 Festivals) and the other events that meet the criteria above will be integrated to and delivered through the wider VisitAberdeenshire marketing resource, with a ring-fenced budget to promote festivals and events. This will provide both links to the wider tourism and destination marketing plan; and in doing so, provide greater efficiency and economies of scale by coordinating and integrating the events/ festivals marketing to the wider promotion of the city to visitors.

4.8 The Conventions & Events Bureau function is currently comprised of three posts employed by VisitAberdeenshire. A lead, and two posts that support the bidding for *business* conferences and exhibitions to the city. These posts work closely with the Aberdeen City & Shire Hotels Association (in securing a bed

bank) and SMG Europe in relation to the Events Complex Aberdeen. This resource is not focused on wider tourist/ leisure events and festivals.

3. Events/ Festivals Development and Delivery Support

- 4.9 The consultations indicate that there is a need for development and delivery of wider events/ festivals to be coordinated with the business conference activity and across city stakeholders. A single resource that is located within VisitAberdeenshire would provide this interface, coordinate the work on promotion and marketing delivered through VisitAberdeenshire, and work with existing and new events/ festivals, including the Aberdeen Festivals collective brand. The role would work with the Council's City Events unit in terms of any events it is working on (as a developer itself); and ensuring the relevant logistical and technical expertise and direction is disseminated to all events/ festivals in the city.
- 4.10 The proposed approach will ensure that there is a dedicated city-centric resource within VisitAberdeenshire coinciding with a very important opportunity for the city, and region, in 2019 and 2020, as a number of infrastructure investments come onstream. The chart below indicates how the 'non-business' (ie sport, leisure, culture activity) development/ delivery role could operate as a wider collaborative model within VisitAberdeenshire.



- 4.11 The purpose of the role is to strengthen the entire Aberdeen 365 Plan and its delivery. Specific tasks anticipated include:
- Oversee research, fact finding and due diligence activity (dates, costs, criteria met) on all events proposed by Aberdeen Events 365 stakeholders;
 - With Aberdeen Events 365 stakeholders, coordinate a grid of target/ proposed events over a ten-year target of major events;
 - Co-ordination of welcome and civic activity around for bought in events;
 - Source and co-ordinate external funding applications;
 - Develop an event-specific destination infrastructure sales pitch (facilities, support, access);
 - Coordinate and conduct site inspections to effectively showcase hotels, event facilities, attractions and relevant local influencers to the prospective clients;

- Conduct sales trips, attend conferences, tradeshows and networking meetings to promote the city as an events destination;
- Working with strategic partner organisations, coordinate with any relevant Scottish / UK governing bodies to position Aberdeen and the region (particularly in relation to sport events);
- Co-ordinate quarterly Aberdeen Events 365 meetings (the informal Advisory Group);
- Source Ambassadors to support bids and proposals;
- Manage and communicator of B2B events calendar.

5. MEASURING PROGRESS

- 5.1 VisitAberdeenshire is developing an evaluation framework for all its campaign activity. By integrating Event and Festivals marketing into the same marketing structure, the work on the evaluation of events/ festivals will be consistent to that work. In addition, the impact model managed by EventScotland will be used.
- 5.2 The Council's contribution towards delivery is regularly reported through its Committees.

6. FINANCIAL IMPLICATIONS

- 6.1 The Council provides £50,000 annually to the Aberdeen Festivals Collective; and £520,000 towards the core costs of VisitAberdeenshire. This is governed by a three-year SLA which ends on 31 March 2019. The annual funding of £50,000 contributes towards an overall Festivals budget of £135,000. An 'Aberdeen Festivals' brand identity will be maintained for some activity and in response to the aspirations of existing funding. In due course, within the proposed model, a separate legal form of Scottish Charitable Incorporated Organisation (SCIO) may be used to enable some events/ festivals to access wider funding.
- 6.2 The Aberdeen Festivals funding has continued at this level and is provided as part of the Council's approved Culture Programme. Under the proposed approach, it is assumed that the Council enters into a new SLA for 2019/20-2021/22, and that this will be for £570,000. This is subject to the Council's budget setting process.
- 6.3 However, in order to support development and delivery of existing, planned and/ or new events support in 4.9 above (the Development & Delivery post), at no additional cost to the Council, it is proposed that an officer is seconded into VisitAberdeenshire to fulfil the new city-centric development and delivery role. The officer will be seconded on their current grade and job profile and Aberdeen City Council will remain their employer. It is anticipated that the secondment will be for 1 year initially, reviewed, and subject to that, may then be extended if required. The officer's substantive post would not be backfilled for the duration of the secondment.

7. LEGAL IMPLICATIONS

- 7.1 Legal Officers from both the Commercial and Procurement and Governance Legal Teams will assist with the legal aspects around delivery of the new oversight model, including all necessary documents pertaining to the SLA, any secondment agreement(s) and SCIO arrangements.
- 7.2 It is anticipated that the creation of a SCIO will provide a more clearly defined structure and purpose to the Aberdeen Festivals tranche of the Aberdeen 365 strategy. It will also give the Council greater legal and financial comfort in relation to funding this strand of the strategy regarding the Council's Local Code of Practice on Following the Public Pound and its revised governance structure, as well as giving a legal personality to the organisation, which is essential in order to access external funding sources and to ensure appropriate management of finances/budgets and funding awards.

8. MANAGEMENT OF RISK

- 8.1 As business cases are developed in delivery of the action plan, officers will consider financial risk.

Category	Risk	Low (L), Medium (M), High (H)	Mitigation
Financial	The proposals assume that the Council will enter into a further three-year SLA with Visit Aberdeenshire at the same financial level as the current arrangement. There is a risk that this might not be confirmed in the Council's budget-setting process.	L	Ensure that the Visit Aberdeenshire strategy and business plan deliver against the Council's tourism and events objectives and offer appropriate value for money.
Legal	None	NA	None
Employee	The proposals in this report include secondment of a Council officer to Visit Aberdeenshire to support the development and delivery of the Aberdeen 365 model. There could be limited appetite for this secondment.	M	Work with Visit Aberdeenshire to clearly articulate the secondment and promote it as a significant career development opportunity and a collaborative response to a shared need to maximise the opportunity from the Council's investment in tourism and events infrastructure.
Customer	Failure to deliver the Aberdeen 365 proposals could lead to fragmentation of the events and festivals	L	The proposals have been tested across and have the buy-in from core partners and within the Council. There is

Category	Risk	Low (L), Medium (M), High (H)	Mitigation
	offer which could cause confusion for local residents and make it difficult for visitors to engage.		low likelihood of them not being approved by all relevant parties.
Environment	None	NA	None
Technology	None	NA	None
Reputational	Council's reputation could be damaged where actions are not supported or delivered. Aberdeen's reputation as a city that can host major national and international events could be damaged amongst Government agencies – VisitBritain; VisitScotland; EventsScotland.	M	Commitment of all parties to the new model should mitigate this risk. Longer-term, it will be important to ensure that partner commitment is sustained.

9. OUTCOMES

Local Outcome Improvement Plan Themes	
	Impact of Report
Prosperous Economy	The report and the proposed governance and delivery models for Aberdeen 365 contribute to the internationalisation and inclusive economic growth strands of the Prosperous Economy chapter of the LOIP. Effective delivery of Aberdeen 365 will further enhance the city's international profile and standing and make the city a more attractive investment destination.
Prosperous People	In addition, a vibrant events strategy will drive jobs growth in creative and hospitality sectors in particular, which are key targets for employability programmes that the Council and its partners deliver.
Prosperous Place	Aberdeen's competitiveness as a destination – both for visitors and investors – is reliant on a strong cultural and events-based offer. Aberdeen 365 will deliver this and provide a platform for the city to secure significant national and global events in the

	future, enhancing both local civic pride and the city's international profile. Aberdeen365 delivery is also a key programme area of the CCMP.
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Design Principles of Target Operating Model	
	Impact of Report
Customer Service Design	The refreshed plan will align to the Council's support to its business customers and key employers in the city and the Council's 'business friendliness'.
Organisational Design	The Council's TOM, and the clustering in City Growth of Culture, Events, Galleries and Museums and Archives is improving collaboration and delivery across these key contributors to the city's cultural and tourism offer. The proposal will strengthen the links between these services and the wider promotion and marketing.
Governance	The new governance proposals set out that an Elected Member and the Chief Officer - City Growth participate in the informal Advisory Group. This is important for maintaining strategic relationships with Scottish and UK bodies and for building on existing local partnerships and networks.
Workforce	If a secondment is secured the proposal of an officer working at the heart of the destination marketing agency will result in organisational benefits to the Council and a funded agency and will also help wider planning and delivery of visiting programmes of wider investment in the Art Gallery, Music Hall.
Process Design	None
Technology	The proposal will deliver a digital platform to host events/ festivals information and may provide open access to the impact of flagship events on the city
Partnerships and Alliances	The proposals in this report are based on significant consultation across the sector. They will also ensure that partnership activity to date forms the foundation of all future activity.

10. IMPACT ASSESSMENTS

Assessment	Outcome
Equality & Human Rights Impact Assessment	Not required
Privacy Impact Assessment	Not required

<u>Children's Rights Impact Assessment/Duty of Due Regard</u>	Not applicable
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11. BACKGROUND PAPERS

City Growth & Resources Committee 27 April 2018 Cultural Strategy for Aberdeen (PLA/18/015)

Finance, Policy & Resources Committee 9 March 2017 Aberdeen 365 – Operational Plan (CHI/ 17/ 042).

12. APPENDICES (if applicable)

13. REPORT AUTHOR CONTACT DETAILS

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ABERDEEN CITY COUNCIL

COMMITTEE	City Growth and Resources
DATE	18 September 2018
REPORT TITLE	Unrecoverable Debt
REPORT NUMBER	CUS/18/134
DIRECTOR	Andy MacDonald
CHIEF OFFICER	Jacqui McKenzie
REPORT AUTHOR	Wayne Connell
TERMS OF REFERENCE	1.2

1. PURPOSE OF REPORT

- 1.1 To advise numbers and values of Council Tax, Non-Domestic Rates and Housing Benefit Overpayments made unrecoverable during 2017/18 as required in terms of Financial Regulations and approve Non-Domestic Rates write offs in excess of £25,000.

2. RECOMMENDATION(S)

- 2.1 The Committee is asked to note the value of Council Tax, Non-Domestic Rates and Housing Benefit Overpayments deemed by the Chief Officer - Finance as unrecoverable and shown in Appendices 1 to 4; and
- 2.2 Approve the Non-Domestic Rates debts in excess of £25,000 shown in Appendix 5 are unrecoverable and be written off.

3. BACKGROUND

- 3.1 The figures included within this report relate to those debts treated as unrecoverable during the financial year 2017/18. Apart from Sequestrations, debts are not deemed unrecoverable where there is on-going liability. The sums mostly relate to previous years where all approved recovery procedures have been followed. Full bad debt provision has been made in the accounts.
- 3.2 It must be emphasised that prior to completing the list, full advice, where appropriate, has been received from the Council's Debt Recovery Agents (Sheriff Officers) in determining that debts are indeed unrecoverable.
- 3.3 It should be noted that despite being deemed unrecoverable at this time, should the debtor be subsequently located, the debt will be reinstated and pursued. During 2017/18, Council Tax debts previously written off with a value of £57,472.36 were reinstated or recovered, for example by finding new addresses for the debtors.

3.4 Council Tax:

3.4.1 In total 14,926 debts were deemed unrecoverable with a value of £1,510,297.65. After allowing for £57,472.36 in recoveries and reinstatements, the net amount is £1,452,825.29. This is compared with the previous year where 8,166 debts were deemed unrecoverable with a net value of £1,075,916.81.

3.4.2 A breakdown over the years and reasons is shown in Appendix 1.

3.5 Housing Benefit Overpayments:

3.5.1 In total 2,269 debts were deemed unrecoverable with a value of £289,954.09. This is compared with the previous year where 1,775 debts were deemed unrecoverable with a value of £231,218.17.

3.5.2 A breakdown of the reasons is shown in Appendix 2.

3.6 Non-Domestic Rates:

3.6.1 In total 321 debts were deemed unrecoverable with a value of £1,483,651.14. This is compared with the previous year where 286 debts were deemed unrecoverable with a net value of £1,326,842.50.

3.6.2 A breakdown over the years and reasons are shown in Appendix 3.

3.6.3 Appendix 4 shows 16 debts with values above £25,000 and reasons are shown. The Committee is asked to deem the value of £841,494.30 as unrecoverable (totals also included in Appendix 3).

4. FINANCIAL IMPLICATIONS

4.1 The sums deemed as unrecoverable are fully provided for in terms of bad debt provision.

4.2 To put the level of unrecoverable debt into context, the annual sums raised in 2017/18 for Council Tax (including water charges) and Business Rates were £158.1m and £270.3m respectively. The sums deemed unrecoverable cover a number of financial years.

5. LEGAL IMPLICATIONS

5.1 There are no direct legal implications arising from the recommendations of this report.

6. MANAGEMENT OF RISK

	Risk	Low (L), Medium (M), High (H)	Mitigation
Financial	Loss of income to the Council	L	The sums deemed as unrecoverable are fully provided for in terms of bad debt provision and debts are only written off where absolutely necessary.
Legal	None Identified		
Employee	None Identified		
Customer/ Reputational	There is the possibility of a negative perception of the decision to write off debt due.	L	Communication to advise debts are pursued vigorously but there is no option but to class some debts as unrecoverable when businesses fail and when individuals are sequestrated (made bankrupt). This Council only writes-off debts in exceptional circumstances but reinstates amounts owed regularly when further information becomes available.
Environment	None Identified		
Technology	None Identified		

7. OUTCOMES

Local Outcome Improvement Plan Themes	
	Impact of Report
Prosperous Economy	Managing debt in accordance with the Council's Financial Regulations promotes good practice in the administration of local taxes and the economy by writing off debt that has become uncollectable.

This report does not impact on the design principles of Target Operating Model

8. IMPACT ASSESSMENTS

Assessment	Outcome
Equality & Human Rights Impact Assessment	Not Required
Privacy Impact Assessment	Not Required
Duty of Due Regard / Fairer Scotland Duty	Not applicable

9. BACKGROUND PAPERS

None

10. APPENDICES (if applicable)

Appendix 1 – Council Tax Write Offs 2017/18

Appendix 2 – Housing Benefit Overpayments Write Offs 2017/18

Appendix 3 – Business Rates Write Offs 2017/18

Appendix 4 - Business Rates Write Offs 2017/18 over £25,000

11. REPORT AUTHOR CONTACT DETAILS

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COUNCIL TAX WRITE-OFFS 2017/18

Appendix 1

<u>Reason</u>	<u>Bills</u>	<u>Prior Years</u>	<u>2009/10</u>	<u>2010/11</u>	<u>2011/12</u>	<u>2012/13</u>	<u>2013/14</u>	<u>2014/15</u>	<u>2015/16</u>	<u>2016/17</u>	<u>2017/18</u>	<u>Total</u>
Unable to Trace	42	2,544.64			372.13		114.57	279.07	284.00	584.90	203.63	4,382.94
Deceased	2,240	325,621.12	27,701.26	25,373.69	29,539.60	23,835.30	31,688.60	24,763.71	30,872.69	21,806.03	2,708.45	543,910.45
Sequestration	2,392	225,937.42	37,975.74	49,645.19	51,995.15	57,645.62	66,912.44	98,830.61	132,120.55	155,742.69	48,531.55	925,336.96
Unrecoverable/No Assets	446	7,761.31	1,612.79	831.89	936.73	954.41	964.39	1,915.03	1,616.55	1,847.56	921.91	19,362.57
Uneconomical	8,970	12,559.95	1,013.20	1,222.00	1,086.80	925.14	551.02	1,004.16	294.94	2,837.06	-4,189.54	17,304.73
	14,090	574,424.44	68,302.99	77,072.77	83,930.41	83,360.47	100,231.02	126,792.58	165,188.73	182,818.24	48,176.00	1,510,297.65
Less address found and previous write-off reversed	77	-11,806.63	-67.73	-56.76		-258.71	-252.33	-114.67	-221.91	-928.26	-1,314.51	-15,021.51
Write On	759	-10,345.64	-947.69	1,285.06	1,344.56	-3,215.78	-448.36	205.21	-442.59	-6,632.59	-23,253.03	-42,450.85
	14,926	552,272.17	67,287.57	78,301.07	85,274.97	79,885.98	99,530.33	126,883.12	164,524.23	175,257.39	23,608.46	1,452,825.29

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HOUSING BENEFIT OVERPAYMENT WRITE-OFFS 2017/18

Appendix 2

<u>Reason</u>	<u>Cases</u>	<u>Total</u>
Deceased	220	177,201.54
Sequestration	127	52,566.71
Uneconomical	1746	41,874.26
Unrecoverable - no assets	176	18,311.58
	<u>2,269</u>	<u>289,954.09</u>

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Non-Domestic Rates Write Offs 2017/18

Appendix 3

<u>Reason</u>	<u>Cases</u>	<u>Prior Years</u>	<u>2012/13</u>	<u>2013/14</u>	<u>2014/15</u>	<u>2015/16</u>	<u>2016/17</u>	<u>2017/18</u>	<u>Total</u>
Receivership/ Liquidation	173	362,417.95	6,098.10	6,667.24	15,816.20	79,988.23	122,428.19	95,465.17	688,881.08
Unrecoverable/No Prospect of Recovery	1	474.54							474.54
Ceased Trading	75	28,860.56	12,625.23	18,977.11	57,061.32	102,334.52	167,160.62	69,082.37	456,101.73
Per Sheriff Officer	72	235,681.22	27,268.88	10,926.30	9,053.65	31,799.59	21,979.01	1,485.14	338,193.79
Small balance (w/off and w/on total)									0.00
Small Balance Global Write Off									
	321	627,434.27	45,992.21	36,570.65	81,931.17	214,122.34	311,567.82	166,032.68	1,483,651.14

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ABERDEEN CITY COUNCIL

COMMITTEE	City Growth & Resources Committee
DATE	18 September 2018
REPORT TITLE	Aberdeen City Local Housing Strategy 2018 - 2023
REPORT NUMBER	PLA/18/037
DIRECTOR	
CHIEF OFFICER	Gale Beattie
REPORT AUTHOR	Mel Booth
TERMS OF REFERENCE	Purpose 4 & 5

1. PURPOSE OF REPORT

- 1.1 The purpose of this report is to seek approval of the Aberdeen City Local Housing Strategy 2018 – 2023.

2. RECOMMENDATION(S)

That the Committee:

- 2.1 Approve the Aberdeen City Local Housing Strategy 2018 – 2023 (Appendix 1); and
- 2.2 Instruct Chief Officer Strategic Place Planning to produce an annual update report on progress for each of the strategic outcomes to allow progress to be monitored and evaluated and to report back to City Growth & Resources Committee in June each year.

3. BACKGROUND

- 3.1 The Scottish Government requires all local authorities to develop and implement a local housing strategy which covers all tenures. The strategy should include priorities and actions on housing supply, homelessness, housing support and fuel poverty. The Aberdeen City Local Housing Strategy is the council's key strategic document for housing and sets out the strategic outcomes which the council, together with its partners, will work towards over the next five years.
- 3.2 The strategic outcomes provide detail on the main issues and priorities to be addressed over the next five years. They identify actions to deliver these outcomes and indicators to measure performance and success.
- 3.3 The strategy has been developed during a time of prolonged restrictions in public expenditure. The current economic climate in Aberdeen, along with

welfare reform and an ageing population will lead to increased demand for housing services across the city.

3.4 The strategy is an important element in delivering the Local Outcome Improvement Plan. The Aberdeen City Local Housing Strategy's overarching vision is:

"People in Aberdeen City live in good quality sustainable homes, which they can afford and that meet their needs."

3.5 In order to achieve this vision, the strategy sets out six strategic outcomes:

- Strategic Outcome 1 – There is an adequate supply of housing across all tenures and homes are the right size, type and location that people want to live in with access to suitable services and facilities.
- Strategic Outcome 2 – Homelessness is prevented and alleviated.
- Strategic Outcome 3 - People are supported to live, as far as is reasonably practicable, independently at home or in a homely setting in their community.
- Strategic Outcome 4 – Consumer knowledge, management standards and property condition are improved in the private rented sector.
- Strategic Outcome 5 – Fuel poverty is reduced which will contribute to meeting climate change targets.
- Strategic Outcome 6 – The quality of housing of all tenures is improved across the city.

3.6 The first strategic outcome relates to the supply of housing and placemaking which must link with the Aberdeen City and Shire Strategic Development Plan. One of the main roles for the strategic development plan in relation to new housing is to set realistic housing supply targets. The targets are to be divided between market and affordable tenures. The strategic development plan is currently being updated therefore it is only possible to set indicative housing supply targets within this strategy. The housing supply targets suggested in this strategy will therefore be revised, where necessary, as part of the strategic development plan process. An indicative housing supply target of 5,240 new homes has been suggested for Aberdeen City over the next 5 years. 1,836 of these homes are to be affordable homes. Further detail can be found in Chapter 3 of the Aberdeen City Local Housing Strategy 2018 – 2023.

3.7 The second strategic outcome focusses on homelessness and summarises the main issues in this area. The homelessness chapter was approved at Communities, Housing & Infrastructure Committee in January 2018, with work ongoing to deliver on preventing and alleviating homelessness.

- 3.8 The third outcome considers how people can be supported to live independently in a home that meets their needs. The fourth strategic outcome looks at the private rented sector which is increasing in size and now represents 20% of the housing stock across the city. The fifth relates to fuel poverty and considers how reducing fuel poverty can contribute to climate change targets. The final outcome relates to house condition in both social and private sector housing and considers repair and maintenance issues.
- 3.9 The Aberdeen City Local Housing Strategy Joint Delivery Action Plan sets out the actions that will be put in place to deliver the strategic outcomes, together with indicators to measure success. Progress for each of the six strategic outcomes will be monitored by Strategic Working Groups for each key theme, with updates on progress being provided by the Chief Officer Strategic Place Planning to the relevant committee(s) in June each year. This ensures that the strategy is a fluid document which can respond and react to changes in the housing sector. It also allows for performance to be monitored and evaluated.
- 3.10 The strategy has been developed following extensive consultation which involved Community Councils, Registered Social Landlords, local developers, private landlords, residents and other stakeholders and partners.
- 3.11 The draft strategy was issued to the Scottish Government for peer review in December 2017. The peer review process is designed to ensure that robust local housing strategies are in place. Each strategy is reviewed by a panel drawn from Scottish Government and Local Government. The role of the panel is to review the strategy in line with published guidance and criteria and to agree and provide feedback to the local authority. The staff involved in the review have a broad knowledge of the housing system across all tenures and have strategic expertise.
- 3.12 Peer review feedback was received from Scottish Government in July 2018. All responses have been considered and incorporated into the final draft.

4. FINANCIAL IMPLICATIONS

- 4.1 There are no direct financial implications arising from the recommendations of this report, however, grant through the Scottish Government's Affordable Housing Supply Programme must be linked to strategic outcomes detailed in the council's local housing strategy. Failure to have a local housing strategy in place, may result in reduced funding for delivery of affordable housing.

5. LEGAL IMPLICATIONS

- 5.1 There are no direct legal implications arising from the recommendations of this report, however, local authorities have a legal duty to produce and publish a local housing strategy.

6. MANAGEMENT OF RISK

	Risk	Low (L), Medium (M), High (H)	Mitigation
Financial	Grant through the Scottish Government's Affordable Housing Supply Programme must be linked to strategic outcomes detailed in the council's local housing strategy. Failure to have a local housing strategy in place, may result in reduced funding for affordable housing.	High	Ensure local housing strategy is adopted with clear links to strategic outcomes. Strategic Housing Investment Plan for 2019 – 2024 is being produced which will align outcomes.
Legal	Local authorities have a legal duty to produce and publish a local housing strategy.	Low	Local housing strategy has been produced and will be published once agreed.
Employee	The strategy allows employees to see exactly what the authority is trying to achieve in relation to housing across all tenures and allows employees to see how their work fits in the bigger picture.	Low	Local housing strategy will allow employees to see how their work fits strategically.
Customer	Local housing strategy is vital to allow actions to be taken forward to provide better services in relation to housing services across the city.	Low	The joint delivery action plan will allow for actions to be taken forward and progress monitored and evaluated. The strategy is fluid and able to react to changes across the sector.
Environment	Local housing strategy is the key strategic document in relation to fuel poverty. Strategic	Low	Actions allow fuel poverty and climate change to be reduced.

	actions reduce climate changes.		
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7. OUTCOMES

Local Outcome Improvement Plan Themes	
	Impact of Report
Prosperous Economy	Delivery of housing requires significant investment which promotes economic growth.
Prosperous People	The strategy seeks to prevent and alleviate homelessness and reduce fuel poverty which can make people more resilient and protect them from harm.
Prosperous Place	The strategy seeks to promote and create sustainable communities.
Enabling Technology	The strategy seeks to promote the use of Technology Enabled Care to promote independent living.

Design Principles of Target Operating Model	
	Impact of Report
Customer Service Design	The purpose of this report is to ensure customer outcomes are maintained and services continue to be developed. As such, the strategy aims to maintain the Council's customer focus and prevent any reputational damage.
Organisational Design	The report reflects recognition of the process of organisational design. The monitoring and evaluation of the strategic outcomes will support the redesign of the organisation.
Governance	Strategic working groups will lead on the development, implementation, monitoring and evaluation of the six strategic outcomes which will be reported to committee on an annual basis.
Workforce	Whilst the strategy itself doesn't directly impact on workforce, the delivery of the outcomes in relation to increased provision of affordable housing may be of benefit to some of the council employees.
Process Design	Process for tenant consultations is being redesigned.
Technology	Work is ongoing with housing providers to help roll out broadband provision across the city in new housing developments. Work is ongoing to look at consultations with council tenants to make better use of technology and improve efficiencies.

Partnerships and Alliances	Partnerships and alliances will be developed through strategic working groups which will lead on the delivery, implementation, monitoring and evaluation of the six strategic outcomes. These partnerships will involve all relevant partners and stakeholders, both internal and external.
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8. IMPACT ASSESSMENTS

Assessment	Outcome
Equality & Human Rights Impact Assessment	Full EHRIA completed and can be found at Appendix 4 of the Aberdeen City Local Housing Strategy 2018-2023.
Privacy Impact Assessment	A Privacy Impact Assessment is not required.
Duty of Due Regard / Fairer Scotland Duty	Applicable. Work is ongoing to actively consider what can be done to reduce the inequalities of health outcomes caused by socioeconomic disadvantage through working with colleagues from the HSCP to develop actions which will reduce health inequalities that arise from housing. The joint delivery action plan will be revised and updated as appropriate to mitigate some of the disadvantages.

9. BACKGROUND PAPERS

Nil

10. APPENDICES (if applicable)

Local Housing Strategy 2018 – 2023.

11. REPORT AUTHOR CONTACT DETAILS

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ABERDEEN
CITY COUNCIL

Local Housing Strategy

2018 - 2023





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Appendices

Appendix 1:	Joint Delivery Action Plan
Appendix 2:	Strategic Housing Improvement Plan
Appendix 3:	Consultation
Appendix 4:	Equalities
Appendix 5:	Strategic Environment Assessment
Appendix 6:	Housing Legislation
Appendix 7:	Housing Need Demand Assessment

Foreword

I'm delighted to introduce you to Aberdeen City's third local housing strategy which covers the five year period from 2018 to 2023. The strategy has been developed in partnership with our key stakeholders including other registered social landlords, service providers, statutory bodies as well as our tenants, residents and elected members. Formal consultation took place in January 2018 and the final strategy was approved by the City Growth & Resources Committee in September 2018.



The new local housing strategy builds on the previous successes and achievements over the last 10 years. It comes at a time of significant change for the council as we face substantial reductions in funding as well as the ongoing uncertainty from welfare reform that affect the lives of many local people. At the same time we need to meet the needs of an increasingly elderly population, as well as the continued need to address homelessness and fuel poverty.

Despite these challenges we believe the local housing strategy can and will help deliver real improvements to people's lives. The strategy sets out how we will improve the quality and energy efficiency of the housing stock in Aberdeen; how we will work with our partners to increase the supply of affordable housing and deliver a range of support services to ensure that all of Aberdeen's citizens feel safe, supported and included.

The actions of the strategy will be reviewed and updated annually over the next five years to make sure that targets are being met, outcomes are being delivered, and that we are responding to further changes as appropriate.

We will therefore continue to build on our excellent track record of working in partnership to deliver positive housing outcomes across all tenures for all households in Aberdeen.

Councillor Sandra Macdonald
Housing Spokesperson

Chapter 1 - Introduction

The Housing (Scotland) Act 2001 places a statutory requirement on councils to produce a local housing strategy. The local housing strategy is the sole strategic document for housing at local level and sets out the strategy, priorities and plans for housing delivery, investment and related services.

The local housing strategy builds on Aberdeen City Council's existing local housing strategy and supports the [Scottish Government's Housing and Regeneration outcomes](#), the strategy detailed in [Homes Fit for the 21st Century](#) and the priority actions in the [Joint Housing Delivery Plan](#). The aim of this is to provide good quality affordable housing to meet existing need and the future demand arising from our growing and ageing population.

Our Vision

To reflect the city's core vision in the [Local Outcome Improvement Plan](#) "A place where all people can prosper", the local housing strategy sets out our strategic vision and priorities for the future delivery of housing and housing related services. It identifies the specific commitments made by the council and its key partners to deliver the strategic outcomes within the local housing strategy.

The vision for the local housing strategy is:

“

People in Aberdeen live in good quality sustainable homes, which they can afford and that meet their needs.

”

The local housing strategy is supported by a comprehensive assessment of housing need and demand. An Equality and Human Rights Impact Assessment and Strategic Environmental Assessment have been carried out. These can be found as Appendix 4 and Appendix 5 respectively.

The local housing strategy aims to deliver 6 overarching strategic outcomes:

- | | |
|----------|--|
| 1 | There is an adequate supply of housing across all tenures and homes are the right size, type and location that people want to live in with access to suitable services and facilities. |
| 2 | Homelessness is prevented and alleviated. |
| 3 | People are supported to live, as far as is reasonably practicable, independently at home or in a homely setting in their community. |
| 4 | Consumer knowledge, management standards and property condition is improved in the private rented sector. |
| 5 | Fuel poverty is reduced which contributes to meeting climate change targets. |
| 6 | The quality of housing of all tenures is improved across the city. |

The strategic outcomes, key actions and indicators were identified through research and consultation. A series of workshops with council staff, partners, stakeholders and community councils were held to agree their content. Further detail on the consultation process can be found at Appendix 3.

The local housing strategy recognises its' role in enhancing economic growth and social mobility. It links with Community Planning and Health and Social Care Partnership priorities and strategies to strengthen communities, improve health, reduce inequalities and support independent living.

In developing the local housing strategy and its associated strategic documents, consideration has been given to how we will work with our partners to contribute to the [Scottish Government's National Performance Framework](#), [Housing and Regeneration Outcomes Framework](#) and [National Health & Wellbeing Outcomes Framework](#). In addition to the council's [Local Outcome Improvement Plan \(LOIP\)](#), [Locality Plans](#) and the [Aberdeen City Health & Social Care Partnership Strategic Plan](#).

Location

Aberdeen is located in the north east of Scotland and is the country’s third-largest city. It is the regional centre for employment, retail, culture, health and higher education. It is also the region’s transport hub with road, rail, sea and air links.

The city extends to 185.7 km² (71.7 square miles) and shares its boundaries with Aberdeenshire. The local housing strategy covers the area outlined in the map on the right.

Aberdeen is also home to two leading research universities and one of the largest colleges in Scotland.

It has some of the most affluent areas of Scotland, but equally some of Scotland’s most deprived areas are within the city boundaries. The overall headline levels of deprivation remain low, however almost 30% of households in Aberdeen are living in fuel poverty and 18% of children in Aberdeen are living in poverty, with the majority of those children living in a working household.¹



Housing Market Area

Scottish planning policy defines a housing market area as a “geographical area where the demand for housing is relatively self-contained.”

Aberdeen is part of the Aberdeen Housing Market Area which includes part of Aberdeenshire. As shown in the map on the right, the housing market area includes Aberdeenshire towns, extending to Banchory, Westhill, Stonehaven, Oldmeldrum, Inverurie and Ellon.

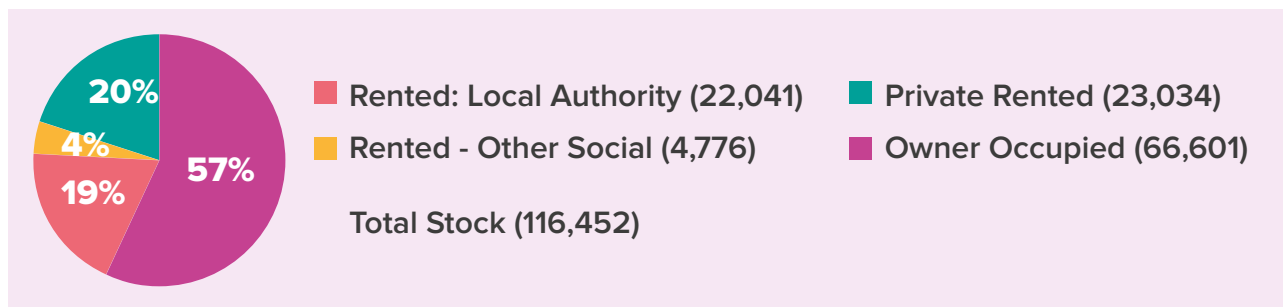
The existing housing market areas were reviewed in August 2015. It was found that there were no significant changes in travel-to-work areas to justify any change in the boundaries between the two housing market areas. Therefore the existing areas were retained.



¹ [Aberdeen City Council Strategic Business Plan Refresh 2017-2018](#)

Aberdeen has a strong association with Aberdeenshire and has well established links which provides scope for joint working across a wide range of strategic priorities including the Aberdeen City Region Deal, the strategic development plan, the housing need and demand assessment and some priorities within the local housing strategy, including delivery of affordable housing across the housing market area and provision of accommodation for Gypsy/Travellers.

Housing Tenure



Source: Aberdeen City Council (2017)

Figure 1.1: Tenure of Housing in Aberdeen

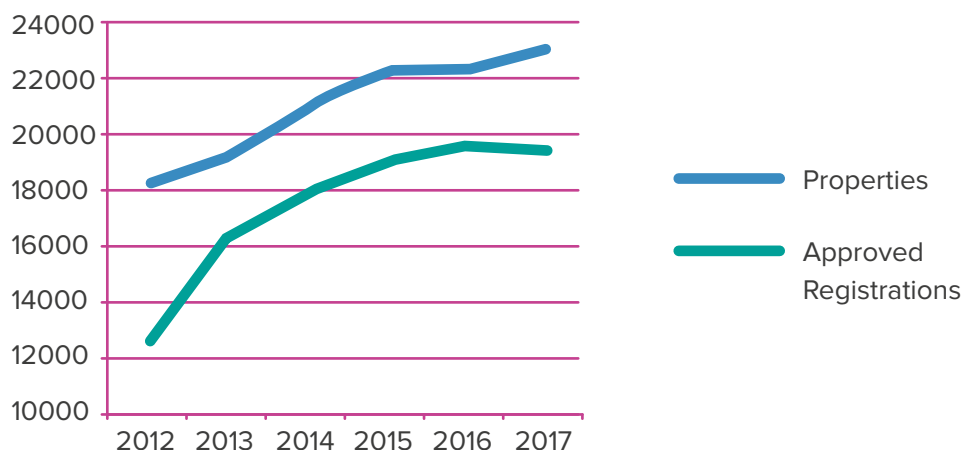
We have used data from the Landlord Registration database, which is considered to be more up to date and robust than the information included in the Census 2011 and the Scottish Housing Condition Survey 2013-15 that shows 15,000 properties in the private rented sector.



Private Rented Sector

The private rented sector has an important role to play in providing housing for local people. It accounts for approximately 20% of all housing in Aberdeen. According to the landlord registration database in 2017 there are 19,438 approved registrations landlords in Aberdeen with 23,034 properties². As can be seen from Figure 1.2 below, these figures have steadily increased over the last five years.

Figure 1.2: Properties and Approved Registrations in Aberdeen 2012 - 2017



	2012	2013	2014	2015	2016	2017	Change 2012 - 17
Properties	18,249	19,160	20,949	22,252	22,312	23,034	4,785 (26.2%)
Approved Registrations	12,644	16,258	17,889	18,998	19,573	19,438	6,794 (53.7%)

Source: Aberdeen City Council (2017)

Houses of Multiple Occupation (HMO)

As at 31 March 2017, there were 1,276 licensed HMO properties and a further 195 with a current application. If all applications were approved, then approximately 1.3% of the properties in the city would be licenced HMOs. This is a 57% increase from 855 in 2012.

Aberdeen City Council Housing Stock

Aberdeen City Council has a total stock of 22,041 properties. The largest proportion of its stock was built between 1965 and 1982 (41%) with 7% being built since 1982. Approximately 25% of the council's housing stock was built pre-war and 52% is more than 50 years old. According to the Scottish House Condition Survey statistics, it is generally accepted that older properties are more expensive to repair and maintain than newer properties. The significance of this is that the majority of the housing stock requires regular financial input and as the stock ages this will continue to pose a challenge.

As at 31 March 2017, the council had 6,631 applicants on its housing lists. Stock turnover is low with current lettings averaging about 140 properties per month which equates to a turnover of around 7.6%.

² Caveat to these statistics must be noted - where there are joint owners, they are shown as owning more than one property therefore the number of PRS properties in the city will be slightly inflated. This however will be balanced by the fact that not all PRS properties are registered. Also worth noting that whilst some properties are registered, they may no longer be PRS properties for a variety of reasons but their registration(s) have not been updated.

Registered Social Landlord

There are nine registered social landlords providing housing in Aberdeen and account for 4% of the total stock, providing 4,776 homes as can be seen in figure Figure 1.3 below. They have an important role in the provision of social and mid-market rented housing within the city.

Figure 1.3: Registered Social Landlords Operating in Aberdeen

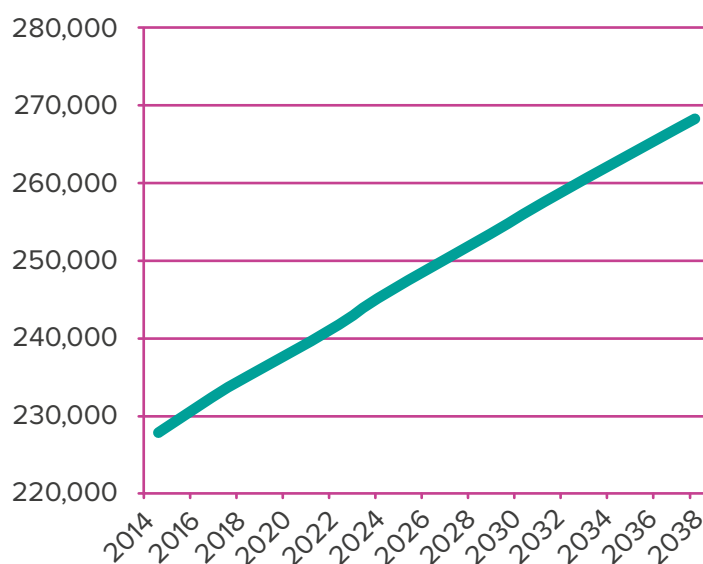
Registered Social Landlords	Number of properties
Soroptomists	15
Ark	22
Blackwood	99
Castlehill	993
Grampian	1,290
Hanover	121
Langstane	1,399
Sanctuary	772
Osprey	65
Total Stock	4,776

Source: Aberdeen City Council (2017)

Population

The population of Aberdeen has risen by 8.5% from 211,910 people in 2001 to 229,840 in 2016. In comparison, this is a higher rate of growth than Scotland as a whole, which saw an increase of 6.7% over the same period. Figure 1.4 shows this trend is predicted to continue with the number of people projected to rise to 288,788 by 2039.

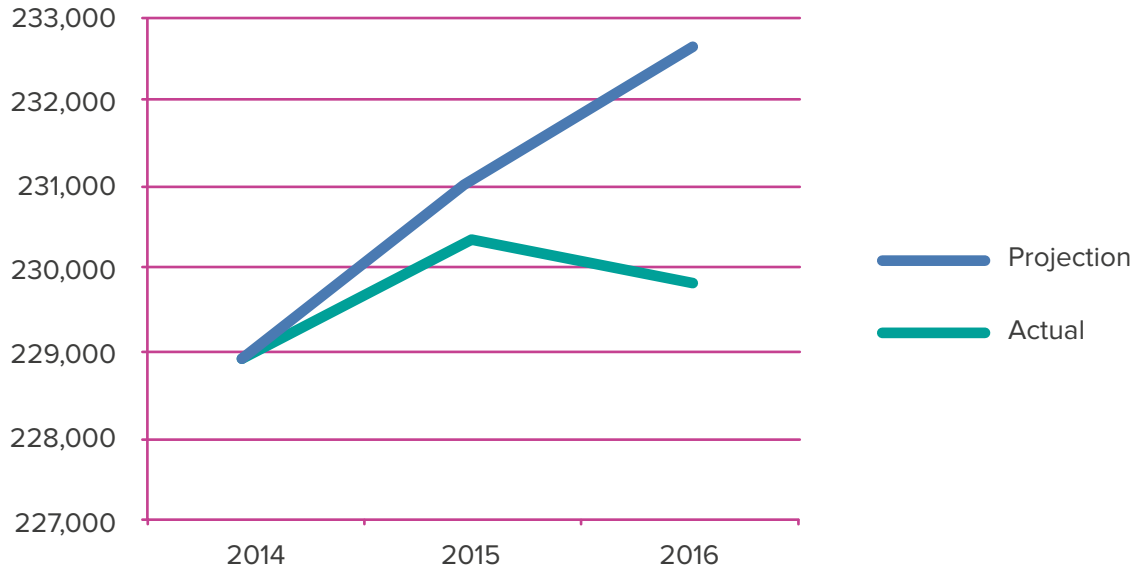
Figure 1.4: Population projections from 2014 to 2039 in Aberdeen



Source: [National Records of Scotland \(2016\)](#)

Despite this projected increase, the latest mid-year population estimates produced by the National Records of Scotland report a small decrease of 0.22%. This is mainly due to outward migration that saw the population drop from 230,350 to 229,840 in 2016. Figure 1.5 below shows the projected population compared to the actual population based on mid-year estimates from 2014 to 2016. This shows actual population growth is lower than projected.

Figure 1.5: Population, projection and actual, 2014 - 2016 in Aberdeen

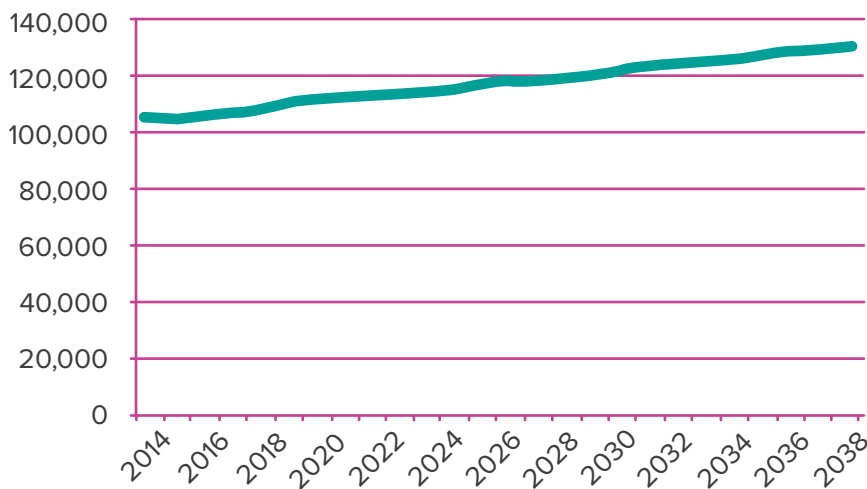


Source: [National Records of Scotland \(2017\)](#)

Households

The number of households in Aberdeen has increased by 10.2% from 96,848 in 2001 to 106,749 in 2016. Over the same period the number of dwellings has increased by 10.6% from 104,030 to 115,080. This growth is expected to continue. Figure 1.6 illustrates the projected growth between 2014 and 2039 with the number of households expected to rise from 105,287 to 130,370.

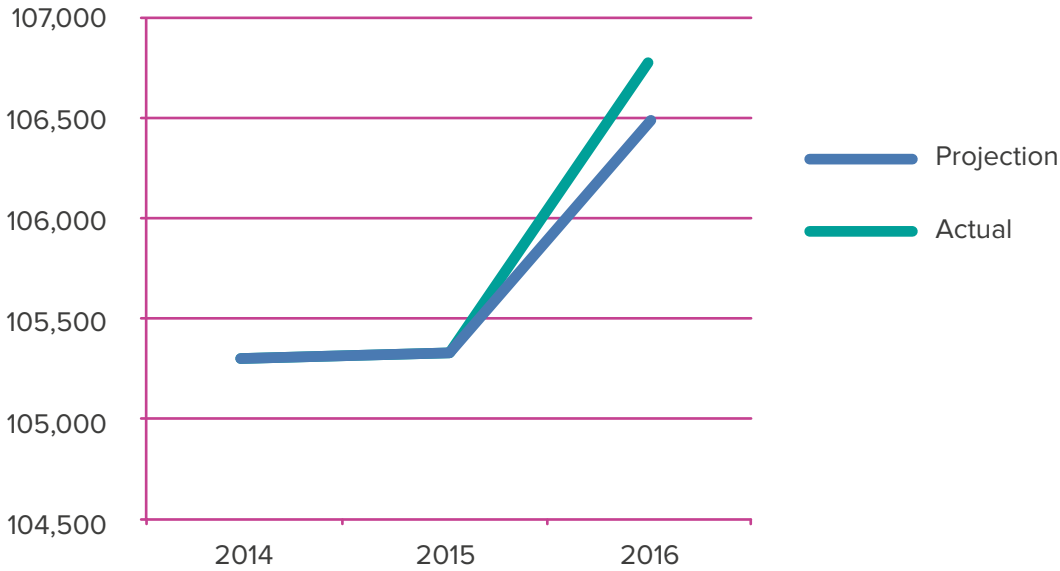
Figure 1.6: Household Projection 2014 - 2039 in Aberdeen



Source: [National Records of Scotland \(2017\)](#)

Figure 1.7 details the actual and projected data from 2014 to 2016. This shows that actual household growth was higher than projected.

Figure 1.7: Households estimates, projected and actual, 2014 - 2016



Source: *National Records of Scotland (2017)*

Figure 1.8: Projected population and number of household in Aberdeen 2014 - 2039

Aberdeen	2014	2019	2024	2029	2034	2039
Projected population	228,920	237,568	245,730	253,857	261,405	267,963
Projected number of households	105,287	109,846	114,880	119,987	125,327	130,370

Source: *National Records of Scotland (2017)*

Figure 1.9 below compares the actual number of people and households against the projected number of people and households. It shows the projected figures are similar to actual.

Figure 1.9: Comparison of mid-year estimates, projected against actual population and households in Aberdeen 2014 to 2016

Year	Population		Households	
	Projection	Actual ³	Projection	Actual ⁴
2014	228,920	228,990	105,287	105,287
2015	231,041	230,350	105,311	105,311
2016	233,613	229,840	106,489	106,749

Source: *National Records of Scotland (2017)*

³ National Records of Scotland Mid-Year Population Estimates (2016)

⁴ National Records of Scotland: Aberdeen City Council Area Demographic Factsheet, 2016

Economy

Traditionally Aberdeen was home to fishing, textile mills, shipbuilding and paper making. These industries were mainly overtaken by the oil industry which has been largely responsible for Aberdeen's economic boom over the last four decades.

As the rest of the UK recovers from the 2008 global financial crisis, Aberdeen is experiencing its own economic decline due to the drop in the price of oil. Since 2015, business has slowed significantly with tens of thousands of job losses. While this downturn is not the first of its kind, it has highlighted a growing and urgent need to diversify the local economy to ensure the long term economic sustainability and future well-being of the city and its people.

The downturn in the north east economy has had a significant impact on house prices, volumes of sales, rental values and availability of property for sale or rent on the market, as shown in Figure 1.10.

Figure 1.10: Change in House Prices, Aberdeen City and Suburbs 2013 – 2017

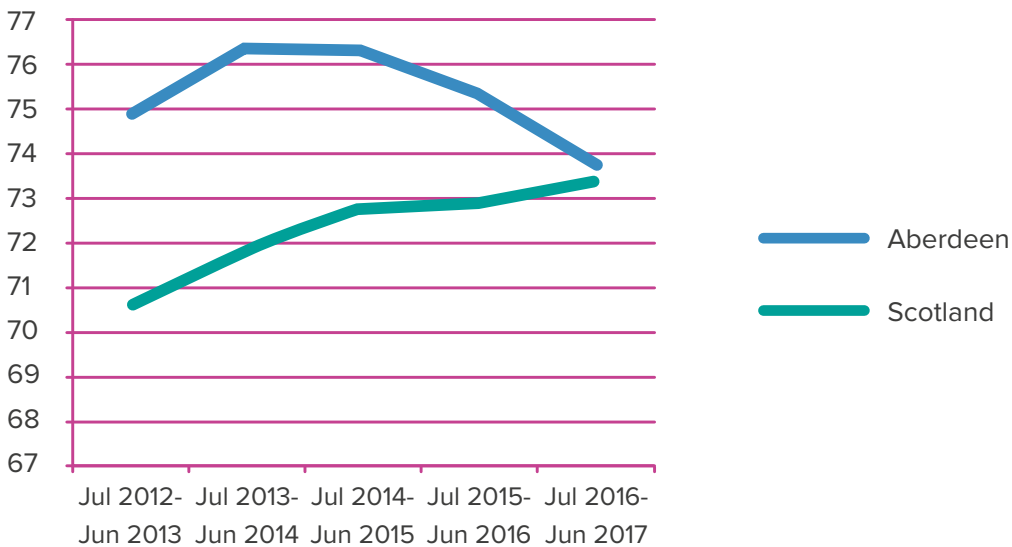
Average House Price	2013 - 2014	2014 - 2015	2015 - 2016	2017
Annual Change at Quarter 2	+13.6%	-0.3%	-7.3%	-4.2%
Annual Change at Quarter 4	+9.2%	-2.8%	-9.1%	-4.4%

Source: [Aberdeen Solicitors Property Centre \(2017\)](#)

Employment

Figure 1.11 below shows Aberdeen had a much higher economic activity rate than Scotland but this has fallen recently. In June 2017 there were 123,300 people or (77.4%) in employment which compares to the rate for Scotland of 76.9%. The reduction in employment rates is a direct consequence of the downturn in the oil and gas sector.

Figure 1.11: Rate of economic activity, July 2012 to June 2017



Source: [Office for National Statistics \(2017\)](#)

Affordability

Rents are considered to be affordable if the household pays no more than 25% of their gross household income on housing costs. However, the reality is that many households spend between 25% and 35% of their income on housing costs.

Figure 1.12 below shows the mean⁵ and median⁶ household income of residents in Aberdeen compared with Scotland. Both the mean and median incomes are higher in Aberdeen with the mean income being 6% higher at £35,083 compared to £33,126 and the median income being 4% higher at £29,249 compared to £28,007 in 2016.

Figure 1.12: Mean and Median Gross Income of Residents in Aberdeen and Scotland

	Mean		Median	
	Aberdeen	Scotland	Aberdeen	Scotland
2012	£35,528	£30,797	£28,342	£25,907
2013	£35,609	£31,566	£27,985	£26,444
2014	£36,950	£31,447	£29,284	£26,955
2015	£36,989	£32,482	£30,151	£27,711
2016	£35,083	£33,126	£29,249	£28,007

Source: [Office for National Statistics \(2017\)](#)

Figure 1.13 below shows the mean and median house price in Aberdeen. The mean house price in Aberdeen is 23% higher than Scotland at £203,303 with the median house price being 22% higher at £204,116.

Figure 1.13: Mean and Median House Price in Aberdeen and Scotland

	Mean		Median	
	Aberdeen	Scotland	Aberdeen	Scotland
2012	£186,533	£154,084	£186,574	£152,751
2013	£195,499	£155,648	£196,944	£157,411
2014	£212,657	£162,704	£213,386	£163,427
2015	£220,817	£169,305	£219,320	£167,294
2016	£203,303	£165,579	£204,116	£166,670

Source: [Registers of Scotland \(2017\)](#)

⁵ The mean is also called the average.

⁶ The median is the middle point of a number set, in which half the numbers are above the median and half are below.

Figure 1.14 below shows that a person with a mean income of £35,083 would need a 40% deposit and a person earning median income of £29,249 would need a 50% deposit if they were to purchase a property in the mean and median price range in Aberdeen. The median house price in Aberdeen in 2016 was £204,116. Therefore if the person saved £250 a month, it would take them 34 years to save the deposit.

Figure 1.14: Affordability of homes in Aberdeen

2016	Income	Mortgage Multiplier	House Price	Difference
Mean	£35,083	x3.5	£203,303	40%
Median	£29,249	x3.5	£204,116	50%

Source: Aberdeen City Council (2017)

Figure 1.15 below shows, using a 3.5 times mortgage multiplier and a 10% deposit for a person on mean and median income they could potentially afford to purchase property for £135,069 and £112,608 respectively.

Figure 1.15: Affordability based on income

2016	Income	Mortgage Multiplier	Affordable House Price	Deposit	Affordable House Price
Mean Income	£35,083	x3.5	£122,790	£12,279	£135,069
Median Income	£29,249	x3.5	£102,371	£10,237	£112,608

Source: Aberdeen City Council (2017)

Average House Prices

Quarterly reports are produced by the [University of Aberdeen \(Centre for Real Estate Research\)](#) on house sales based on data provided by [Aberdeen Solicitors' Property Centre](#). Findings in the in the fourth quarterly report of 2017 state an annual house price reduction of 4.4% with an annualised house price change over the past five years of 0.2%. These figures reflect the impact of the economic situation in the city and its effects on the local housing market. However, the report also indicates that the city is about to start a slow recovery.

In 2017 the average house price in Aberdeen was £203,257. Figure 1.16 below shows the average house price for 2007 and 2017. Whilst there has been a recent reduction in house prices, the average house price in Aberdeen increased by 14.7% over the 10 year period, whereas the average house price in Scotland increased by 7.7% over the same period.

Figure 1.16: Average House Price 2007 – 2017

	2007	2017	Percentage increase
Aberdeen	£177,237	£203,257	14.7%
Scotland	£154,810	£166,681	7.7%

Source: [Registers of Scotland \(2017\)](#)

Residential Sales

Figure 1.17 shows there has been a significant reduction in the number of residential sales in Aberdeen from 2014 to 2017.

The number of properties sold in Aberdeen in 2014 was 3,481 compared to 2,620 in 2017. This is a 68% reduction in residential sales over three years which can be directly attributed to the downturn in the oil and gas sector.

Figure 1.17: Number of residential sales in Aberdeen

Year	2014	2017
Number of Properties Sold	3,481	2,620

Source: [Aberdeen Solicitors Property Centre \(2017\)](#)

Private Rented Sector

The downturn in the oil and gas industry over recent years has had a significant impact on the private rental market. Figure 1.18 shows in their fourth quarter of 2017 analysis, [Citylets](#) highlight the effect of the downturn on the private rental market with large numbers of properties coming on the market, causing significant rent reductions in most types and sizes of property. The fourth quarter results for 2017 shows rents have continued to reduce, especially for 1 and 2 bedroom properties.

This decrease in rental values has made the private rented sector more attractive to those seeking accommodation, some of whom previously may not have been able to access this tenure of housing.

Figure 1.18: Private Rented Sector (PRS) rents in Aberdeen

Average PRS Rents			Average PRS Rents Percentage Change		
	2016	2017			
Beds	Quarter 4	Quarter 4	Over 1 year	Over 3 years	Over 5 years
1 bed	£540	£487	-9.8%	-29.4%	-15.6%
2 bed	£763	£704	-7.7%	-30.0%	-15.5%
3 bed	£1,126	£1,079	-4.2%	-21.4%	-12.5%
4 bed	£1,558	£1,546	-0.8%	-24.1%	-11.7%
Average	£829	£774	-6.6%	-27.5%	-13.9%

Source: [Citylets \(2017\)](#)

LHS Achievements 2012 - 2017

Over the past five years significant progress has been made through the implementation of the actions within the Local Housing Strategy 2012-2017.

Housing Supply

- A total of 767 affordable houses were completed over the last five years.
- Completion of 179 new build council homes at Smithfield School site and Manor Avenue.
- Refurbished a former sheltered housing development to provide housing for key workers in the city.
- Shaping Aberdeen Housing LLP, a 50/50 joint venture between Aberdeen City Council and Places for People, was established to develop and manage housing for affordable rent and sale.
- 2555 private properties built to increase housing supply across the city.

Homelessness

- Achieved the Scottish Government's target to abolish priority need test to provide settled accommodation to all unintentionally homeless people.
- Increased provision of temporary accommodation including the expansion of the Private Sector Leasing scheme from 89 properties in 2012 to 157 in 2017.
- The redevelopment of West North Street from a derelict building into a modern block which provides temporary accommodation of 40 flats.
- All void properties to be offered to those in urgent housing need first. This includes all homeless applicants and assists in reducing the homeless journey.
- Introduction of the Housing Support Services team.
- Introduction of an on-line housing options self-assessment tool to assist those looking for housing to be provided with a range of options dependant on their individual circumstances. Housing options interviews are also available in order to expand on the initial housing advice provided.
- The new Housing Allocations Policy for the allocation of Council Houses based on housing need was introduced in 2012.
- The new Housing Access Service was created which has delivered a number of service improvements including:
 - o Online Housing Options and housing application.
 - o Increase in front line Customer Service staff.
 - o Holistic approach that accounts for individual's needs.
 - o More emphasis on housing options as a prevention of homelessness.

- 99% of homeless applications and 100% of housing applications are processed within 28 days and also providing one to one advice to all households on housing lists.
- The Housing Support Service was established with a focus on enabling people over the age of 16 who reside in Aberdeen City, to sustain their tenancies. The teams within the service deliver:
 - o Money, debt and benefits advice.
 - o Temporary accommodation and floating housing support.
 - o Oversee commissioned services related to Housing Support, furniture storage and Homelessness Prevention.
- The Development team have in place a commissioning plan, with the aim of commissioning housing support services that are outcome focused. Currently there are, on average, 1000 hours of support per week delivered by commissioned services, offering support.
- The Housing Support Team are registered with the Care Inspectorate as a Housing Support service.

Particular Needs Housing

- Reduced the number of sheltered housing units to ensure stock levels meet demand.
- Increased the supply of amenity housing.
- Increased very sheltered housing stock by refurbishing a sheltered housing development along with the adjoining former day centre to provide a kitchen. and dining area with additional staff facilities.
- Upgraded the infrastructure across all sheltered housing developments to support technology enabled care.
- Opened a former sheltered housing complex to provided intermediate. accommodation for people who are leaving hospital but unable to go home. The service provides short term rehabilitation and helps older and vulnerable people return to independent living.
- Introduced “MyChoice” which is a fairer meal ordering and payment system for very sheltered housing tenants.
- Completed the renovation of a house to provide four new flats for people with learning disabilities.
- Dementia awareness training events were provided to council and RSL. Housing Officers to provide a better understanding of the condition.
- Implemented a training programme for staff on Telecare.
- Provided 950 major adaptations to private housing.



LHS Achievements 2012 - 2017

House Condition - Social Housing

- SHQS achieved as far as was practicable
- Work was ongoing to ensure that properties with abeyances and exemptions will meet SHQS.
- A rolling programme of works began to ensure all social properties in Aberdeen are compliant with EESSH by 2020.

House Condition - Private Housing

- Scheme of Assistance continued to be delivered across the city to improve the quality of private sector housing.
- Work Notices served on owners to ensure properties are repaired.
- Factoring service established for our mixed tenure multi storey blocks.
- Landlord Registration
 - Process established for dealing with unregistered landlords resulting in the serving of rent penalty notices where there is continued non-compliance with the legislation.
 - Process established for dealing with landlords whose registrations have expired and they have not renewed. Late application fee is applied resulting in the serving of rent penalty notices where there is continued non-compliance with the legislation.
 - Process established to allow new applications and renewal applications to be checked by Police Scotland as part of the fit and proper person test.
- Increase in the number of HMO's across the city.

Fuel Poverty & Climate Change

- Total of 5396 basic insulation measures were installed in properties throughout the city. These installations comprised of:
 - o 3261 lofts
 - o 1507 cavity walls
 - o 628 floors

In addition:

- Over 1,400 homes have had solid wall insulation.
- Over 1,000 additional homes connected to district heating systems or networks.
- 44 of the city's 59 multi-storeys are now connected to low carbon district heating, ensuring affordable warmth for all householders connected.
- Over 6,000 households have received bespoke home energy advice visits, helping them save money and keep warm.
- Secured over £14 million of external funding has been used towards the costs of installing energy efficiency measures.
- Over 5,500 tonnes of CO₂ emissions are saved per year.

Housing Management

- 56% reduction in the number of void properties since the introduction of the revised Void Improvement Plan.
- 43% reduction in the amount of rental income lost through void properties.
- 46% reduction in the average days taken to re-let void properties.
- Reduction in current and former tenants rent arrears has been achieved despite very challenging circumstances, against a background of welfare reform and economic downturn.
- Improved average length of time (hours) to complete emergency repairs - 5.19 down to 2.99 hours.
- Improved average length of time to complete non-emergency repairs - 8.69 to 6.21 hours.
- Increased percentage of reactive repairs right first time - 91% up to 92%.
- Increased percentage of repairs appointments kept - 81% to 99%.
- Gas Safety Record renewed by anniversary date - 97% up to 100%.

Chapter 2 - Strategic Planning Framework

This chapter details the strategic planning framework that our local housing strategy operates within.

National Context

Scottish Government National Performance Framework

The [National Performance Framework](#) provides a vision for Scotland and is described and measured in five parts which support and reinforce each other. The national performance framework consists of

1	The Government's purpose .
2	7 high level targets known as purpose targets .
3	5 strategic objectives that describe where Government will focus its actions.
4	16 national outcomes that describe what the Government wants to achieve.
5	55 national indicators that enable progress to be tracked.

The purpose of the Scottish Government is to focus government and public services on creating a more successful country, with opportunities for all of Scotland to flourish, through increasing sustainable economic growth.

The purpose targets are high level targets that enable progress to be tracked towards the achievement of our purpose.

The purpose targets are:

Growth, Productivity, Participation, Population, Solidarity, Cohesion and Sustainability.

The Scottish Government is aligned around five strategic objectives that underpin its purpose:

A Scotland that is Wealthier and Fairer, Smarter, Healthier, Safer and Stronger and Greener.

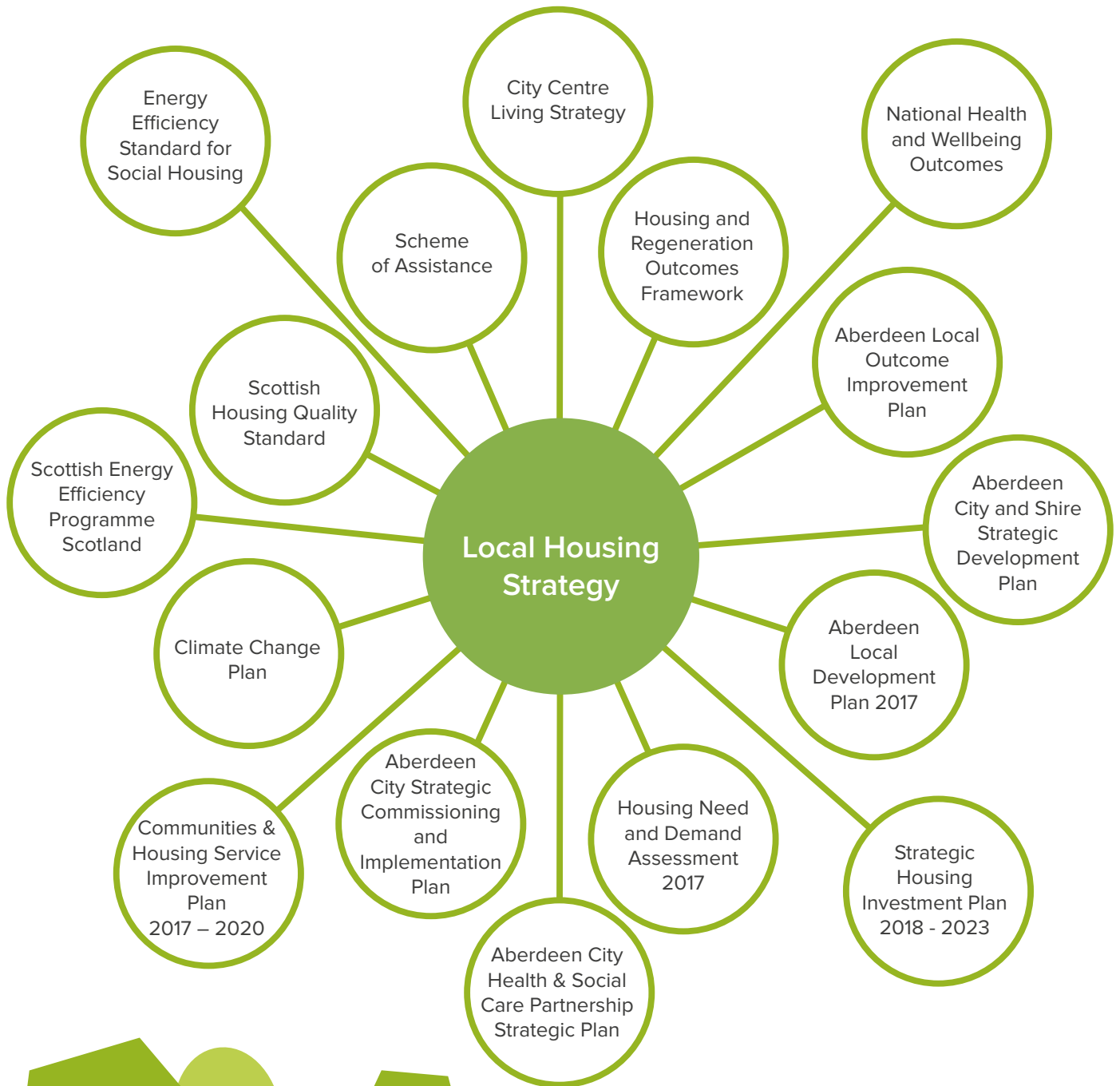
National outcomes describe how the Government will achieve its' purpose. National indicators enable progress to be tracked towards the achievement of the national outcomes and ultimately the delivery of the purpose.

Local Context

The local housing strategy is central to meeting our statutory housing responsibilities and our corporate planning activities as well as fulfilling a strategic response to national outcomes and national housing priorities.

Key Strategic Drivers

The diagram below details the key strategic drivers that influence this strategy.



The National Performance Framework has been adopted in the local context and can be illustrated as:

Local Housing Strategy 2018 - 2023

People live in good quality, sustainable homes which they can afford and that meet their needs.



Strategic Outcome 1

There is an adequate supply of housing across all tenures and homes are the right size, type and location that people want to live in with access to suitable services and facilities.

Indicators

Number of affordable homes delivered.

Number of private homes delivered.

Key Actions

Work with partners to increase the supply of housing.

Promote a range of affordable housing models.

Work with partners and stakeholders to lever in additional finance for the provision of affordable housing.

Strategic Outcome 2

Homelessness is prevented and alleviated.

Indicators

Percentage of statutory homeless decisions reached within 28 days.

Length of time spent in temporary accommodation.

Homeless journey time.

Reduce repeat homelessness within 12 months.

Increase the percentage of households, previously homeless, that have sustained their tenancy for more than one year.

Key Actions

Develop a policy for sustainable temporary accommodation.

Implement 'Housing First' model in Aberdeen.

Review the process for people leaving prison in line with the SHORE protocol.

Review the process for supporting looked after children.

Implement a common outcomes tool framework for housing support.

Key Actions continued overleaf

Key Actions

Adopt a preventative approach that will ensure referrals for housing support are made at the appropriate time to avoid homelessness.

Develop a solution for young people who are presenting as homeless.

Develop a policy for improved tenancy sustainment to increase the number of homeless households who have sustained a tenancy for more than one year.

Reduce repeated homelessness.

Promote the use of the private rented sector in Aberdeen to reduce demand on social housing and homeless services.

Roll out the use of the housing options toolkit that is being developed by housing options hubs across Scotland.

Develop solutions to mitigate the impact of welfare reform.

Strategic Outcome 3

People are supported to live, as far as is reasonably practicable, independently at home or in a homely setting in their community.

Indicators

Percentage of adults supported at home who agree that they are supported to live as independently as possible.

Number and percentage of new build properties developed and fully accessible for people with particular needs.

Number of older people or people with a disability given housing options prior to hospital discharge or whilst in interim accommodation.

Number of disabled adaptations carried out in: private sector, local authority and registered social landlord properties.

Enable people to be supported in their own homes through the use of telecare by increasing the percentage of people receiving care in the home.

Key Actions

Progress the planned expansion of extra care housing provision in line with the outcomes of the housing for varying needs review.

Undertake a review of specialist housing requirements to help support people to live independently in line with priorities identified in the strategic plan and strategic commissioning implementation plan.

Revise protocols between all social housing providers across Aberdeen and the Health & Social Care Partnership and review the allocations policy to facilitate hospital discharges.

Increase provision of intermediate care services by providing short stay, adapted housing as step up/step down accommodation to enable people to leave hospital or receive additional support to prevent admission.

Work with the integration Joint Board to identify appropriate levels of funding for adaptations.

Implement the recommendations from the adapting for change demonstrator sites.

Strategic Outcome 4

Consumer knowledge, management standards and property condition is improved in the private rented sector.

Indicators

Number of private rented properties in disrepair.

Landlord Accreditation Scotland training courses.

Third party referrals to Housing & Property Chamber.

Key Actions

Provide information and advice to private landlords and tenants to help improve awareness of their rights and responsibilities.

Work with private landlords and letting agents to improve management standards in the private rented sector.

Work with private landlords and tenants to improve property condition in the private rented sector.

Strategic Outcome 5

Fuel poverty is reduced which contributes to meeting climate change targets.

Indicators

Number of households in fuel poverty.

Number of households in extreme fuel poverty.

Carbon emissions from housing.

Key Actions

Improve energy efficiency of housing across all tenures.

Work with residents to help them obtain the best price for heat and power.

Work with residents to maximise their income.

Work with residents to help them use their energy in the most efficient manner.

Work with residents to encourage a reduction in their carbon footprint.

Work with other agencies and partners, including the Health and Social Care Partnership to deliver the key actions in relation to fuel poverty.

Raise awareness of the issues relating to poverty across all sectors.

Strategic Outcome 6

The quality of housing of all tenures is improved across the city.

Indicators

Number of dwellings meeting Scottish Housing Quality Standard.

Number of dwellings meeting Energy Efficiency Standard for Social Housing.

Number of dwellings in disrepair in private sector housing.

Number of dwellings with disrepair to critical elements in private sector housing.

Number of dwellings with urgent disrepair in private sector housing.

Key Actions

Continue to deliver information, advice and practical assistance through Scheme of Assistance¹ to improve the quality of private sector housing.

Continue to identify and address housing that is sub-standard, which includes housing that is below the tolerable standard² with a particular focus on tenements.

Social housing providers will continue to have rolling programmes of works to ensure compliance with SHQS.

Social housing providers will continue to have rolling programmes of works to ensure compliance with EESSH by 2020.

Local Outcome Improvement Plan 2016 – 2026

In line with the requirements of the Community Empowerment (Scotland) Act 2015, Community Planning Aberdeen has developed a ten year [Local Outcome Improvement Plan 2016-26](#). This is the overarching strategy for Community Planning Partners in Aberdeen. It provides a clear blueprint for collaborative actions to tackle the challenges facing the city.

The local outcome improvement plan sets out a shared vision for Aberdeen as “a place where all people can prosper” reflecting our desire to help all people, families, businesses and communities to do well, succeed and flourish in every aspect. This vision is being delivered through four main themes:

Prosperous Economy – Aberdeen has a flourishing, thriving and successful local economy.

Prosperous Place – People experience Aberdeen as the best place to invest, live and visit.

Prosperous People – People in Aberdeen are happy and healthy and enjoy positive life outcomes.

Enabling Technology – Innovative, integrated and transformed public services.

Our local housing strategy is linked to the vision and priorities within the local outcome improvement plan and plays an important role in addressing the critical driving factors that the Aberdeen Community Planning Partnership believes need to be addressed to be successful in ensuring people are resilient and supported.

The local outcome improvement plan identifies some specific improvement measures relating to housing which include:

1. We will ensure housing that is affordable, across markets, is widely available, and in particular to support vital key workers in the education, care and health sectors.
2. We will seek to reduce the risk of harm by increasing individual and community resilience to vulnerability.
3. We will regenerate our city centre to become a vibrant and attractive place to live, work and invest in.
4. Support community capacity building through the use of technology.

Strategic Business Plan – Refresh 2017/2018

Partner organisations translate the shared priorities within the local outcome improvement plan into their own organisational plans. For Aberdeen City Council this is articulated in the [strategic business plan](#) that was refreshed in 2016/17 to take cognisance of the [Local Outcome Improvement Plan 2016-26](#).

The refreshed strategic business plan sets out how the council is contributing to the strategic priorities within the local outcome improvement plan through implementation of its policy statement ‘Aberdeen – The Smarter City’ and through the delivery of key action within the plan.

To ensure a clear golden thread between the local outcome improvement plan and the strategic business plan the document has been structured around the same four themes of Prosperous Economy, Prosperous Place, Prosperous People and Enabling Technology.

The Strategic Development Plan and the Local Development Plan

Aberdeen is Scotland’s third largest city and forms part of the [Aberdeen City and Shire Strategic Development Plan](#). This region has the greatest projected growth in both population and households of Scotland’s four strategic development plan areas.

The Strategic Development Plan informs [Aberdeen’s Local Development Plan](#) to ensure that the city has enough people, homes, jobs and facilities to maintain and improve the quality of life in the city. The Local Development Plan was adopted by the council in January 2017 and provides a firm foundation for future development in the city with significant land allocations made in terms of housing and employment.

Strategic Housing Investment Plan 2018 - 2023

The Strategic Housing Investment Plan sets out how we direct investment to provide affordable housing in the city and achieve the objectives we have set out in our local housing strategy. The development of the Strategic Housing Investment Plan involves close collaboration between a range of stakeholders including registered social landlords, Scottish Government, private developers and other services within the council.

Aberdeen City Region Deal

[Aberdeen City Region Deal](#) is an agreement between the UK Government, the Scottish Government, Aberdeen City Council, Aberdeenshire Council and Opportunity North East and has committed public sector investment of up to £250m over the next 10 years.

The investment will support improvements to the region's digital infrastructure, expansion of Aberdeen Harbour and support investment in Innovations Hubs that will attract and retain key skills and expertise in the region. The housing commitment which includes:

- A joint approach towards planning for meeting housing need across the city region.
- Budgetary flexibility within each financial year across the two local authority areas to facilitate a joint approach to delivery of affordable housing.
- Additional resources through the Housing Infrastructure Fund fund to facilitate a joint approach to support acceleration of new development sites within the wider Aberdeen Housing Market Area.

Aberdeen City Health and Social Care Partnership Strategic Plan

The local housing strategy has a key role to play in contributing to the outcomes within the health and social care partnership. Greater emphasis is placed on enabling people to stay in their homes, or in a homely setting where they can live life to the full.

Housing is recognised as a key component in effectively shifting the balance of care from institutional setting to enable community based services and support.

The [Aberdeen City Health and Social Care Strategic Plan and Housing Contribution Statement 2016 - 2019](#) sets out the long term vision for health and social care with high level strategic priorities that show how housing services are contributing to the success of the partnership. This will be underpinned by the [Strategic Commissioning Implementation Plan 2018 - 2022](#) which sets out the key priorities for the Health and Social Care Partnership.

The local housing strategy will link to the Scottish Public Health Network Report 2017 which states the importance of housing and its impact on people's social, mental and physical health and its role in reducing inequalities through the provision of good quality housing. A Health Inequality Impact Assessment will be carried out to ensure that the local housing strategy is aligned to public health priorities.

The local housing strategy will strengthen these links as well as improve the alignment of strategic planning to support [National Health and Wellbeing Outcomes](#).

Housing Legislation

Relevant housing legislation has been considered when developing the strategy. Details of this can be seen in Appendix 6.

Strategic Outcome 1

“ There is an adequate supply of housing across all tenures and homes are the right size, type and location that people want to live in with access to suitable services and facilities. ”

Main Issues



The demand for affordable housing is significant and whilst there is certainty around funding for the next three years, the Aberdeen Housing Need and Demand Assessment 2017 indicates a continuing high need for affordable housing which cannot be met by current levels of funding.

New houses are being built at a time when the housing market is slower than has been previously with properties taking an increased time to sell/let with lower values in both sales and rental market.

There is no longer a shortage of properties in the private rented sector which has resulted in reduced rents. Lower rents are negatively impacting on the viability of mid-market rental properties.

Key Actions



Work with partners to increase the supply of housing.

Promote a range of affordable housing models.

Work with partners and stakeholders to lever in additional finance for the provision of affordable housing.

Introduction

This chapter sets out the council's approach to addressing housing need and demand across the city. It sets our strategic vision for housing supply across all tenures to meet projected needs and demand.

With the current downturn in the local economy, house building will help to support economic growth in these challenging times, with benefits for the local economy by supporting construction, creating jobs and training opportunities.

An adequate supply of housing is one part of meeting need and demand but this in itself is not enough. It is also important to make sure there is enough housing of the right type and size available to meet current and future need and demand. This will help to create balanced and sustainable communities.

Demand for affordable housing is significant and whilst there is certainty around funding for the next three years, there remains a need for affordable housing which cannot be met by current levels of funding.

New houses are being built at a time when the housing market is slower than has been previously with properties taking an increased time to sell/let with lower values in both sales and rental market.

Private rented sector rents have reduced which is negatively impacting on the viability of mid-market rental properties.

Key actions have therefore been identified to address some of the issues. Further detail on how the key actions will be achieved can be found in the joint delivery action plan at Appendix 1.

National context

[Homes Fit for the 21st Century](#) sets out the Scottish Government's strategy for housing up to 2020. The first strategic objective is to build new, high quality, affordable homes, including social housing, to meet current need and the demand arising from our growing and ageing population.

There is a commitment to build 50,000 affordable homes during the lifetime of the current parliament.

Local context

Aberdeen Development Plan

The Development Plan for Aberdeen consists of the [Aberdeen City and Shire Strategic Development Plan](#) and the [Aberdeen Local Development Plan](#).

Aberdeen City and Shire Strategic Development Plan

[The Aberdeen City and Shire Strategic Development Plan](#) covers the geographical areas covered by Aberdeen City and Aberdeenshire Council excluding the Cairngorms National Park. The strategic development plan plays a key role in guiding development over the next 25 years. The current strategic development plan was approved by Scottish Ministers in March 2014.

A Main Issues Report is the first significant stage in preparing the revised development plan which will set the framework to develop Aberdeen City and Shire over the next 20 to 25 years. A Main Issues Report is to be approved by the Strategic Development Planning Authority and circulated for public consultation in spring 2018.

One of the main roles for the strategic development plan in relation to new housing is to set realistic housing supply targets which cover:

- Aberdeen Housing Market Area.
- Rural Housing Market Area.
- Aberdeen City Council area.
- Aberdeenshire Council area.

The targets are to be divided between market and affordable tenures. The Aberdeen City and Shire Strategic Development Plan is currently being drafted therefore it is only possible to set indicative housing supply targets within this strategy. The housing supply targets will therefore be revised, where necessary, following conclusion of the strategic development plan review process.

Aberdeen Local Development Plan 2017

The [Local Development Plan](#)¹ sets out which land is being allocated to meet the city's development needs to 2026 and beyond. It also sets out the planning policies we will apply in promoting the growth of Aberdeen over this period.

¹ A Local Development Plan is required for each council area across Scotland. It allocates sites, either for new development, such as housing, or sites to be protected. It also includes policies that guide decisions on all planning applications.

Housing Need and Demand Assessment² 2017

The Housing Need and Demand Assessment (HNDA) jointly undertaken by Aberdeen City Council, Aberdeenshire Council and the Strategic Development Planning Authority provides the strategic evidence base required by the Scottish Government to inform the housing supply targets within the [Aberdeen City and Shire Strategic Development Plan](#), Aberdeen Local Development Plan and the Local Housing Strategy. See appendix 7 for the full Housing Need and Demand Assessment 2017.

The 2017 HNDA received “robust and credible” status from the Scottish Government’s Centre for Housing Market Analysis³ in March 2018. It provides the main strategic evidence base for housing need and demand over the next five years and beyond.

The Scottish Government refreshed the HNDA guidance in June 2014 and as a result the methodology⁴ for assessing housing need and demand has been revised. Households are now only assessed as being in need if they generate a requirement for a net additional dwelling.

The first stage of the HNDA process is to look at those households who are currently experiencing housing need. The HNDA 2017 has identified 360 such households in Aberdeen. These households cannot afford to meet their needs in the housing market without some form of assistance. It has been assumed that these needs will be addressed over a period of ten years.

HNDA preferred scenarios

The next stage of the HNDA looks at the future need for households that have yet to be formed. This is derived mainly by considering future household projections. It is assumed that any future need would be met through the provision of affordable housing.

Figure 3.1 below highlights the estimated additional houses required per annum using the different scenarios in the HNDA tool.

Figure 3.1: Estimate of annual additional housing units

	Principal growth scenario	Low migration scenario	High migration scenario
Aberdeen City and Shire Strategic Development Planning Authority	2,171	1,566	2,768
Aberdeen Housing Market Area	1,691	1,195	2,179
Rural Housing Market Area	480	371	589
Aberdeen	1,063	679	1,441
Aberdeenshire	1,107	887	1,327
Affordable – Aberdeen	510 (48%)	380 (56%)	706 (49%)
Market – Aberdeen	553 (52%)	299 (44%)	735 (51%)

Source: HNDA 2017

² A HNDA estimates the future number of additional homes to meet existing and future housing need and demand. It also captures information on the operation of the housing system to assist local authorities to develop policies on new housing supply, management of existing stock and the provision of housing-related services.

³ The Centre for Housing Market Analysis is part of the Scottish Government’s Communities Analysis Division. It provides support to local authorities and others to aid the strategic planning of housing in Scotland.

⁴ The housing need and demand methodology has limitations in that it does not fully quantify the impacts of poor quality and lower demand housing and any subsequent need for replacement of existing housing stock.

Housing Supply Target

Whilst the HNDA has identified the additional houses required by tenure, these figures will not automatically become the Housing Supply Target.

A housing supply target is the Strategic Development Planning Authority's view of the type and level of housing to be delivered over the period of the strategic development plan. Although it takes aspiration into account, targets should be identified which are deliverable.

As per Scottish Government guidance, when setting and agreeing the housing supply target, authorities should give full consideration to those factors which may have a material impact on the pace and scale of housing delivery such as:

- Economic factors which may impact on demand and supply in particular parts of the area.
- Capacity within the construction sector.
- The potential inter-dependency between delivery of market and affordable housing at the local level.
- Availability of resources.
- Likely pace and scale of delivery based on completion rates.
- Recent development levels.
- Planned demolitions.
- Planned new and replacement housing or housing brought back into effective use.

As the strategic development plan and local housing strategy are to be completed at different times, and it is the role of the strategic development plan to set the housing supply target, it is only possible to provide indicative figures for the housing supply target at this stage through the local housing strategy.

The housing supply target set by the proposed Aberdeen City & Shire Strategic Development Plan proposes to utilise the principal scenario from the HNDA, modified to give a policy interpretation of current circumstances and the potential for growth in the medium to long term. This is consistent with the Regional Economic Strategy.

Figure 3.2 below shows the indicative housing supply targets for targets using the modified principle scenario for Aberdeen during the lifetime of the local housing strategy.

Figure 3.2: Indicative Housing Supply Targets – Aberdeen City Council

	18/19	19/20	20/21	21/22	22/23	Total
Affordable	342	342	384	384	384	1,836
Market	634	634	712	712	712	3,404
Total	976	976	1,096	1,096	1,096	5,240

Source: Aberdeen City Council (2017)

House completions

Figure 3.3 below shows the number of house completions for all tenures within Aberdeen over the last five years. It is clear that the indicative housing supply targets are in excess of previous rates of delivery but with the elevated levels of funding committed by the Scottish Government up to 2020/2021 it is felt that these indicative targets could be achievable.

Figure 3.3: House completions in Aberdeen

	2012/13	2013/14	2014/15	2015/16	2016/17
Market	416	558	544	788	518
Council	31	0	0	20	0
Registered Social Landlord	51	133	16	84	60
Total	498	691	560	892	578

Source: [Scottish Government \(2017\)](#)

Affordable housing delivery for 2017/2018 has improved significantly. 367 affordable homes were completed in 2017/2018 with 400 completions projected for 2018/2019.

Self-Build/ Custom Build

The draft Scottish Government Planning Delivery Advice: Housing and Infrastructure is supportive of self-build housing as a means of increasing the supply of housing. We do not currently have a policy on this, but it will be considered as part of the Aberdeen Local Development Plan Main Issues Report which is due to be issued for consultation in early 2019.

Strategic Vision for the Future of Housing

The strategic vision for housing in Aberdeen is:

People live in good quality, sustainable homes which they can afford and that meet their needs.

Affordable Housing Policy

Chapter 2 detailed the strategic planning framework that this strategy operates in.

The provision of affordable housing will continue to be a priority for the council which is supported by policy. As detailed in Chapter 1, there are severe affordability pressures in Aberdeen with high levels of housing need identified in the HNDA, market housing will be unable to meet the needs of everyone, therefore, through the use of planning policy, affordable housing is to be delivered.

The local development plan sets a requirement that 25% of all new developments with 20 or more units should be affordable.

There are various mechanisms for the delivery of affordable housing with affordable housing requirements⁵ being delivered in three ways:

- On-site (preferred option).
- Off-site⁶.
- Commuted payments.

The council has a preferred hierarchy of affordable housing types:

1. Social rented.
2. Intermediate housing.
 - shared ownership⁷.
 - shared equity⁸.
 - Discounted Low Cost Home Ownership⁹.
 - Housing without subsidy¹⁰.
 - Mid-market rented accommodation¹¹.
3. Off-site.

Social Rent

The council and local registered social landlords have made an important contribution to the provision of affordable housing across the city and will continue to do so with 1,378 social rented properties being identified in the SHIP 2018 - 2023.

Mid-market rent

Mid-market rental properties allow tenants to pay rent levels below the market rent.

Mid-market rent forms a key aspect of affordable housing provision with 1,153 (445 registered social landlords and 708 non registered social landlords) properties identified for mid-market housing in the SHIP 2018 - 2023.

Discounted Low Cost Sale

This is where a home is sold at a percentage discount of its open market value to households in a priority client group. A legal agreement is used to ensure that subsequent buyers are also eligible buyers.

The council works with developers to promote the sale of homes that are to be sold at a discounted price. We also work with owners when the property is to be re-sold to help ensure the home remains affordable.

Housing Without Subsidy

Non-subsidised affordable housing is likely to take the form of entry level housing for sale, some built at higher densities and with conditions attached to the missives designed to maintain the houses as affordable units to subsequent purchasers. Homes delivered without subsidy may be considered to fulfil part of the overall affordable housing requirement where it can be clearly demonstrated that they will meet the needs of, and be affordable to, groups of households identified through the housing needs assessment.

Local Affordable Rent (LAR) Housing Trust

Increasingly limited public finances and resources have reduced what can be achieved through traditional funding approaches. Therefore innovation is required to create and enable innovative ways to deliver more housing with less public investment.

[LAR Housing Trust](#) is an example of this. LAR is a charity is governed by independent trustees. LAR's initial funding came from a 25 year loan of £55 million from the Scottish Government. LAR intend to secure at least the same amount of long-term private sector investment. LAR Housing Trust operates across Scotland including Aberdeen and Aberdeenshire with 128 properties in Aberdeen and a further 9 due for completion in 2018.

Housing Investment

The Strategic Housing Investment Plan (SHIP) sets out strategic investment priorities for a five year period to achieve the outcomes identified in the local housing strategy. Local authorities are required to submit its SHIP to the Scottish Government annually.

The document informs the Scottish Government housing investment decisions and is developed with the involvement of key housing delivery partners in Aberdeen.

The SHIP sets out investment priorities for affordable housing and demonstrates how these will be delivered. It identifies the resources required to deliver these priorities and shows how the council with our RSL partners will contribute to the Scottish Government target to deliver at least 50,000 new affordable homes during the current parliament.

Based on the information provided in the SHIP, the Scottish Government has issued Resource Planning Assumptions for affordable housing grant for the period 2018/2019 - 2020/2021 totaling £56,489 million:

2018/2019	£17,120m
2019/2020	£18,133m
2020/2021	£19,346m

SHIP 2018 - 2023 which was submitted to the Scottish Government in November 2017 identifies projects to the value of £95,042million:

2018/2019	£48,040m
2019/2020	£37,134m
2020/2021	£9,868m

The council will pursue all opportunities to increase the grant funding available to the city. Section 75 agreements² negotiated through the planning process with housing developers along with council tax discount on second homes and long term empty properties will be fully utilised. 15.45M of income has been received through the Council Tax levy which is spent on affordable housing across the city. We are also well placed to accept any potential underspends from other local authorities via the Scottish Government.

The indicative housing supply target for affordable homes detailed within this strategy will be used to inform the SHIP.

Work will continue to deliver a range of affordable housing solutions with partners and stakeholders.

Sustainable Places

Well-designed, sustainable places increase a persons' physical and mental well-being with housing playing a key role. Housing helps to shape, maintain and support sustainable places, through both the provision of high quality development and the provision of effective services that assist in maintaining and supporting communities.

Sustainable communities are generally characterised as those that have a range of services, housing types and people, which promote interaction and integration and create positive, diverse neighbourhoods.

The local housing strategy seeks to increase the provision of affordable housing, reduce fuel poverty as well prevent and alleviate homelessness which are all essential if we are to have sustainable communities across the city.

The local housing strategy sits alongside and works with the local development plan in seeking to support the delivery of new sustainable communities whilst supporting the growth and continued success of existing communities. This is done by ensuring that an adequate supply of a broad range of housing types and tenures are provided to accommodate the needs of all residents of the city.

⁵ Local Development Plan, Supplementary Guidance: Affordable Housing

⁶ Off-site provision involves a developer providing an equivalent number of affordable housing units on another site. While off-site provision can be a useful mechanism, it can also pose significant risks such as the creation of non-mixed socio economic communities which would be contrary to Scottish Planning Policy.

⁷ The owner purchases part of the dwelling and rents the remainder usually from a RSL.

⁸ The owner purchases part of the dwelling, with the remaining stake usually held by the Scottish Government. Unlike shared ownership, the owner pays no rent for the equity stake which is retained by the Scottish Government.

⁹ A dwelling sold by the developer at a percentage discount of its open market value to households in the priority client group determined by the local authority. A legal agreement is used to ensure that subsequent buyers are also eligible buyers and the property remains affordable in perpetuity.

¹⁰ Nonsubsidised affordable housing is likely to take the form of entry level housing for sale, some built at higher densities and with conditions attached to the missives designed to maintain the houses as affordable units to subsequent purchasers.

¹¹ Rented accommodation that is rented at a discounted rent level at or below the Local Housing Allowance.

¹² Section 75 Agreements are contracts entered into between a landowner and the planning authority. A planning obligation may arise in connection with applications for planning permission and can include financial contributions towards schools, roads, transport and affordable housing.

Placemaking

Placemaking is a creative, collaborative process that includes design, development, renewal or regeneration of our built environment. The outcomes should be sustainable, well designed places and homes which meet people's needs.

The council has a vision of a sustainable city with quality place-making at the core of planning. Quality place-making plays a positive part in reducing the impact of climate change and improving health and well-being.

Quality place-making is about creating development that sustains and enhances the coastal, economic, environmental and cultural attractiveness of the city as a place to be and is a material consideration in determining planning applications.

All development must ensure high standards of design and have a strong and distinctive sense of place which is a result of context appraisal, detailed planning, quality architecture, craftsmanship and materials. Well considered landscaping and a range of transportation opportunities ensuring connectivity are required to be compatible with the scale and character of the developments.

Places that are distinctive and designed with a real understanding of context will sustain and enhance the social, economic, environmental and cultural attractiveness of the city. Proposals for new developments are considered against the following six essential qualities:

- Distinctive.
- Welcoming.
- Safe and pleasant.
- Easy to move around.
- Adaptable.
- Resource efficient.

Locality Plans and Town Centres

A high quality of life is fundamental to attracting and retaining the talent and investment needed to grow Aberdeen's economy. This sense of place, with added key emphasis on city centre, is crucial in underpinning economic growth.

Three 'Locality Plans' have been developed by the Locality Partnership Boards and have been approved by Community Planning Aberdeen to focus attention on improving outcomes for the populations living in the most deprived communities.

The plans aim to deliver improved quality of life, access to opportunities and a better place to live.

Locality Plan for Torry

Additional refurbishment and environmental improvement programmes with our housing stock and associated land. The provision of affordable housing that is well maintained and sustainable is a priority for Torry.

Locality Plan for Cummings Park, Heathryfold, Northfield, Mastrick and Middlefield

The area is currently developing housing options and plans for environmental improvements to help with the regeneration of Middlefield, including re-housing of tenants and reallocation of community facilities.

Locality Plan for Woodside, Tillydrone and Seaton

In conjunction with a range of community partners, we are building a new Community Hub in Tillydrone. The detail of what the hub will comprise of is still being developed, but it may include a range of local services to support the community, for example: learning and educational programs; social space to support building social networks; access to local services; training and employment support; community café; health and wellbeing services; and suitable space for activities for people of all ages.

Town Centres

Town centres are a major focus within the Local Outcome Improvement Plan and includes actions in relation to satisfaction levels with the amount of green spaces, street design and walkability for children and older people. It also considers how best to tackle underused office space.

Aberdeen City Centre Masterplan

The [Aberdeen City Centre Masterplan](#) was approved in June 2015. It has a focus on bringing more people back to live in the city centre. One consequence of this will be facilitating the delivery of housing on brownfield sites in Aberdeen, not only through new build but potentially through conversions.

It identifies 7 intervention areas and 49 projects to define the Masterplan's focus.

The intervention areas are:

- Denburn Valley - Redevelopment of the Denburn Health Centre / car park and refurbishment of the historic Woolmanhill Hospital to provide a new mixed use neighbourhood, set within an attractive green setting, leading to a revitalised Union Terrace Gardens.
- Heart of the City - Reinstating the central role of Union Street in the life of the city, establishing stronger retail linkages north and south and creating a destination not just for shopping but for many city activities. Refurbishment and remodelling of buildings on Union Street. Negligible increase in overall accommodation but increased utilisation of existing floor space. Remodelling of the St Nicholas Centre, Mitherkirk and Aberdeen Indoor Market.
- Queen's Square - There is potential to redevelop the Town House extension and former Grampian Police headquarters along with other buildings and under used spaces within the Queen Street to create a new city centre neighbourhood with a strong urban character. This could include consolidation of public service provision in the eastern annexe of Marischal College, presently vacant.
- Union Street West - A focus for the wider business sector, from new businesses with a "Made in Aberdeen" focus, to spin-outs from the energy sector. Union Street West emerges as a much stronger business address.
- Station Gateway - The critical remodelling of the key gateway to the city centre, with new business and commercial developments, providing city centre users and visitors with a radically transformed arrival experience, leading seamlessly northwards to Union Street.
- Castlegate /Castlehill - A focus for visitors and tourists, taking in the best of Aberdeen's townscape, including Castlegate, Union Street and links to the harbour to the south and the beach to the east.
- North Dee / Torry Waterfront - New riverside quarters connected by a pedestrian bridge and a much improved riverside park and promenade. To the north, an urban business district; to the south, a residential neighbourhood that maximises its relationship to the river.

City Centre Living Strategy

A comprehensive review of the property market in the city centre has been concluded with four key recommendations. The strategy reviews the potential for city centre living and provides an assessment of the scale, scope, programme and actions to achieve this.

The strategy recommends that Aberdeen City Council:

1. Forms a City Living Team
2. Takes the lead role in the delivery of transformational projects
3. Identifies and supports quick wins
4. Introduces a moratorium on developer obligations in the city centre.

The recommendations will result in the introduction of policies to encourage growth of the city centre population and, where appropriate, will be incorporated into actions within the local housing strategy.

Empty Homes

There are three categories of empty properties for council tax purposes:

Long term empty properties:

Properties which have been empty for 6 months or more and are liable for council tax.

Unoccupied exemptions:

Properties which are empty and exempt from paying council tax (for example, properties which are unoccupied and unfurnished for up to a maximum of 12 months).

Second Homes

Properties which are furnished and lived in for at least 25 days in a 12 month period. However, not as someone's main residence, and are entitled to a discount of 50%.

At time of writing, there are no specific statutory requirements on local authorities with respect to bringing empty properties back into use. Therefore, different local authorities across Scotland, will adopt different measures. Aberdeen City Council is currently in the process of creating strategic actions in order to tackle this issue. All available powers, including the use of Compulsory Purchase Orders will be considered as part of our approach to dealing with empty homes.

While there is a need to build new homes, ignoring the potential of existing empty homes in meeting housing supply is costly for the environment. Creating homes from empty properties saves substantial amounts of material compared to building new houses.

Vacant Dwelling Council Tax Powers

Councils have the power, subject to certain exemptions to charge up to 100% extra council tax on long term vacant properties.

Where a property is unoccupied and furnished but not a second home, 10% discount is awarded, up to a maximum period of 12 months from the date the property became unoccupied.

If the property remains unoccupied and furnished for more than 12 months, the discount will end and a 100% additional Council Tax charge will apply.

However, if the property is actively being marketed for sale or rent, a further period of up to 12 months of the 10% discount can be awarded.

Figure 3.4 shows as at August 2017 there are 2,380 privately owned properties that are empty across the city. This equates to 2.8% of private stock or 2.24% of total stock.

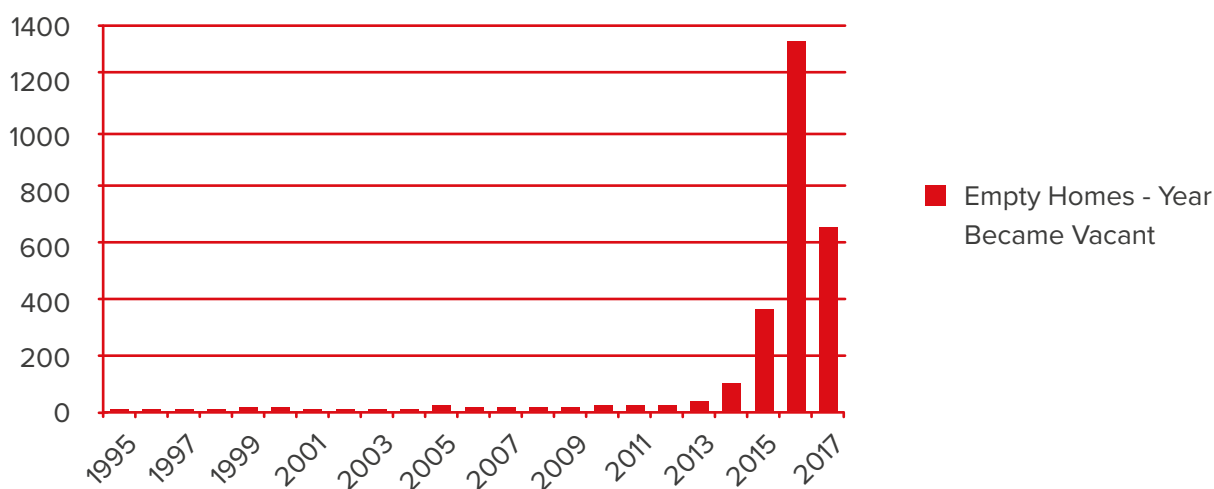
Figure 3.4: Number of properties and length of time empty.

Length of Time Empty	Number of Properties
6 months to 1 year	619
1 to 2 years	1,130
2 to 3 years	363
3 years +	268

Source: Aberdeen City Council (2017)

Figure 3.5 below shows the majority of properties have become vacant since 2015 with 2016 showing a spike in vacancy. Only 7% of properties of vacant properties have been vacant since before 2014 and these properties are primarily in council tax bands A and B.

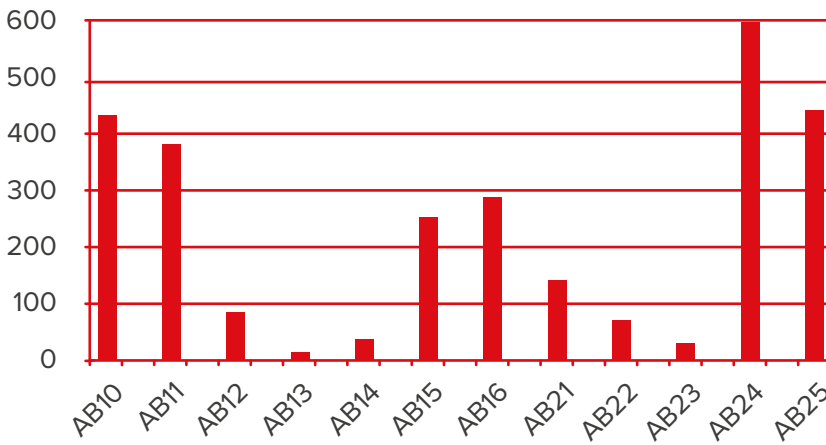
Figure 3.5: Length of time properties have been vacant within Aberdeen.



Source: Aberdeen City Council (2017)

As can be seen in Figure 3.6, the largest numbers of vacant properties are within AB10, AB11, AB24 and AB25 which all have established residential populations.

Figure 3.6: Vacant properties by postcode



Source: Aberdeen City Council (2017)

It is likely that the dramatic increase in empty properties is linked to the wider economy and assistance would not enable the properties to be let out or sold. Due to a reduction in house prices, homeowners may not wish to market their property for sale at this time, in the hope that the property will rise in value over time.

A comprehensive review of the property market in the city centre is currently ongoing. The findings of which will inform the introduction of policies to encourage growth of the city centre population and, where appropriate, will be incorporated into the local housing strategy. A plan will be developed as per the [Local Outcome Improvement Plan](#) to incentivise bringing underused space above shops and long term empty units into residential use.

Key Indicators

A Health Inequalities Impact Assessment will be undertaken. The indicators and actions will be revised as required.

There is an adequate supply of housing across all tenures and homes are the right size, type and location that people want to live in with access to suitable services and facilities			
Indicator	Baseline	Target	Frequency & Source
Number of affordable homes delivered	117	342 - 384	Annual Aberdeen City Council
Number of private homes delivered	594	634 - 712	Annual Aberdeen City Council



Strategic Outcome 7

“

Homelessness is prevented and alleviated.

”

Main Issues



Increased number of homeless presentations.

Lack of suitable accommodation for single people.

Length of time spent in temporary accommodation.

Impact of welfare reform, which is not yet fully understood until guidance is available from UK and Scottish Government.

Increase in the number of people who have more complex/multiple needs and require bespoke services and support.

Tenancy sustainment in both social and private sector housing.

Key Actions



Develop a policy for sustainable temporary accommodation.

Implement 'Housing First' model in Aberdeen.

Review the process for people leaving prison in line with the SHORE¹ protocol.

Review the process for supporting looked after children.

Implement a common outcomes tool framework for housing support.

Adopt a preventative approach that will ensure referrals for housing support are made at the appropriate time to avoid homelessness.

Develop a solution for young people who are presenting as homeless.

Develop a policy for improved tenancy sustainment to increase the number of homeless households who have sustained a tenancy for more than one year.

Reduce repeated homelessness.

Promote the use of the private rented sector in Aberdeen to reduce demand on social housing and homeless services.

Roll out the use of the housing options toolkit.

Develop solutions to mitigate the impact of welfare reform.

Review the choice based lettings service.

Review nominations agreements and section 5 arrangements.

Ensure that homelessness services positively influence health inequalities and health outcomes.

¹ SHORE - Secure Housing on Release for Everyone: A draft protocol between Housing and Scottish Prison Service

Introduction

This chapter details the council's approach to preventing and alleviating homelessness across the city. Homelessness is the most acute form of housing need and places significant demands on housing and other services. We have seen a significant shift in focus in successive strategies relating to homelessness over the last fifteen years reflecting changes in legislation and national guidance.

Early strategies focused on increasing the provision of temporary accommodation and the lack of affordable housing. Subsequently we saw a change in focus towards service quality and sustainable housing solutions and developing preventative services.

More recently, the strategic direction has focused on a person-centred approach recognising that homelessness is often a symptom of other complex issues. Sustainable solutions require effective multi agency working to mitigate the long term health inequalities that have become a feature of our society.

All councils in Scotland, have a statutory duty to help people who are homeless or at risk of becoming homeless as detailed within the Housing (Scotland) Act 1987, as amended. These duties include the prevention and alleviation of homelessness and provision of housing support, temporary and permanent accommodation for all unintentionally homeless households.

The [Local Outcome Improvement Plan](#) includes a commitment to “work in partnership to strengthen resilience and capacity of people who are at risk of homelessness to maintain stable living arrangements.”

Extent and Nature of Homelessness

Homeless Applications

The council monitors the number of homeless applications it receives. In 2016/17 the number of homeless applicants accounted for 1.4% of all households in Aberdeen. This compares to the national average of 1.5%

Figure 4.1 shows the number of homeless applications received between 2010/2011 and 2016/2017. It shows a 56% reduction in the number of applications received between 2010/2011 and 2011/2012. This is because the council set out new plans in 2010/2011 for the future delivery of homelessness services to tackle the growing increase in homelessness throughout the city. Central to this was a move towards prevention which was to be incorporated into a wider change in the culture of the service. A Homeless Prevention Team was created with a remit for early intervention in cases where homelessness was likely to occur and to reduce the incidence of homelessness arising.

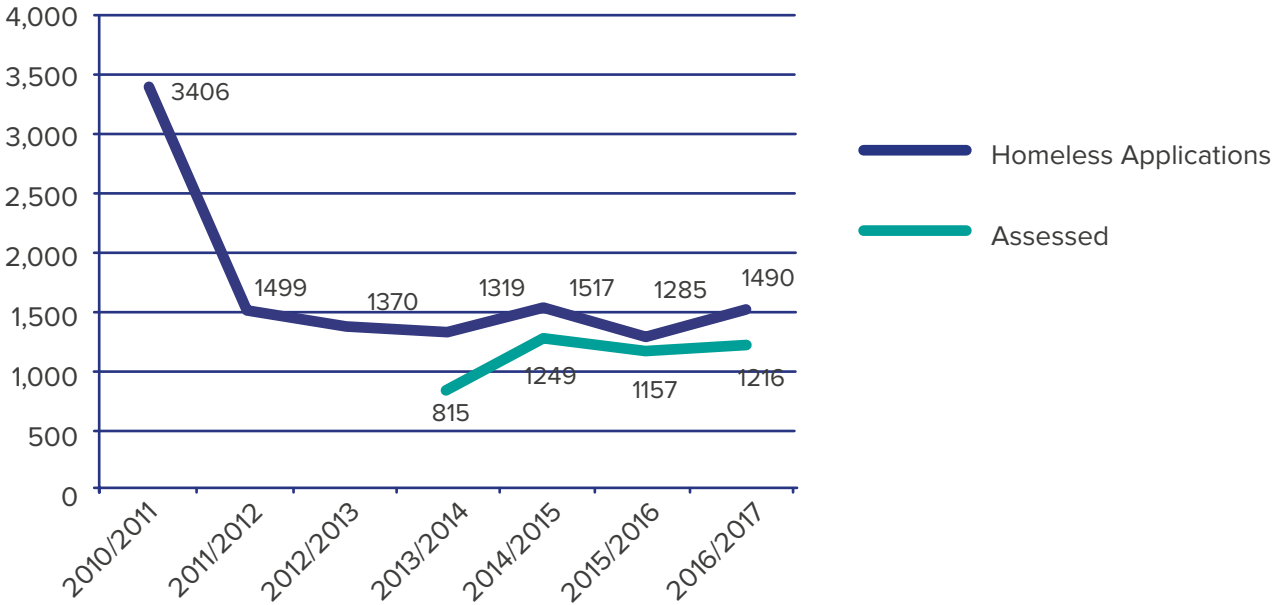
The fall in presentations was mainly due to the impact of new housing options/ homelessness prevention strategies adopted by the council rather than to changes in the underlying drivers of homelessness. Applications then continued to fall until 2013/2014 where they reached their lowest levels since records began at 1,319 applications.

A further review of housing options across the housing service concluded in late 2013, with a central proposal to form a new Housing Access Service, comprising housing advice, prevention, statutory assessment and allocation functions. This new structure was approved and became operational in April 2014. During the first year of operations, a 15% increase in homeless applications was recorded, only to fall by the same margin during 2015/16.

In 2015 the Scottish Housing Regulator completed their annual assessment of risk and began a process of ongoing engagement with the council around improving services and outcomes for homeless people. A key area of enquiry centred upon access to services, advice and prevention for homeless people.

Since then homelessness applications rose by 16% in 2016/2017 where 1,490 applications were received. This increase has continued into 2017/2018 where at the end of November 2017, 1,163 applications had been received which is a 24% increase upon the 935 received during the same period the previous year. Based on the current year to date, a 17% rise in applications is forecast by the end of the year (1,740).

Figure 4.1: Statutory Homeless Applications in Aberdeen



Source: [Scottish Government \(2017\)](#)

As can be seen in Figure 4.2 below, since April 2012 the proportion of applicants assessed with no statutory duty has fallen by 5% from 300 to 229. There has also been a 9% fall in the proportion of applicants found to be intentionally homeless where we have a duty to provide temporary accommodation, information and advice. The proportion of applicants found to be unintentionally homeless and owed a duty to be re-housed has increased by 15% rising from 927 households (65%) in 2012/13 to 1,169 (80%) in 2016/17. During 2016/17 the council had a duty to provide permanent accommodation to 1,169 applicants, 242 more than in 2012/13. Forecasts predict that this figure will rise again in 2017/18 if current trends continue.

Figure 4.2: Outcomes of homeless applications in Aberdeen

	2012/13	2013/14	2014/15	2015/16	2016/17
Duty to House	927	663	1,012	1,012	1,169
%	65%	60%	64%	74%	80%
Temp & Advice	202	151	238	147	59
%	14%	13%	15%	11%	4.0%
No Duty	300	301	343	217	229
%	21%	27%	21%	16%	16%
Total	1,429	1,115	1,593	1,376	1,457

Source: [Aberdeen City Council \(2017\)](#)

The rise in the number of applications which result in the council having a duty to re-house has placed further pressures on the demand for social housing, particularly bedsit and 1 bed properties. The council is heavily reliant on the use of its own stock to discharge its duty in full to unintentional homeless applicants. Figures show that over the past five years, on average, 83% of all homeless applicants securing a Scottish Secure Tenancy are housed into council owned accommodation. Bedsit and 1 bed properties currently form 37% of the current council lettable stock portfolio where turn-over rates are relatively low (estimated to be around 11%).

The majority of homeless applicants qualify for general need housing which places further restrictions on the availability of stock to meet demand. During the last three years, 99% of the 1,825 homeless households permanently housed by the council have been allocated general need housing. Over the same period, there has been 3,749 general need properties re-let, 48% of which have been allocated to homeless households which is slightly lower than the 50% target set. More recently the general need allocation rates to homeless has increased, with 58% of general need properties allocated to this group so far this year. Furthermore 88% of the bedsit and one bed properties re-let this year to date have gone to homeless households.



Household Composition & Gender

Figure 4.3 below gives the number of homeless applications by household type and gender. Other than 2014/15, total applications have been fairly constant however we have seen a 16% increase between 2015/16 and 2016/17 with the trend within the demographics remaining fairly constant.

The vast majority of applications are being made by single person households with more than twice as many males than females applying. These figures highlight that homelessness remains a major issue in the city with single males being most affected.

Figure 4.3: Homeless applications by household type and gender in Aberdeen

		2012/13	2013/14	2014/15	2015/16	2016/17
Single Person	Male	712	644	693	669	761
	Female	287	319	364	316	365
	All	999	963	1,057	985	1,126
Single Parent	Male	20	24	55	51	89
	Female	214	201	259	171	173
	All	234	225	314	222	262
Couple	Male	27	17	21	15	12
	Female	25	19	22	25	28
	All	52	36	43	40	40
Couple with Children	Male	42	55	42	17	19
	Female	37	34	46	16	28
	All	79	89	88	33	47
Other	Male	1	1	4	2	0
	Female	2	1	3	0	3
	All	3	2	7	2	3
Other with Children	Male	2	3	4	0	4
	Female	1	1	4	3	8
	All	3	4	8	3	12
Total		1,370	1,320	1,515	1,285	1,490

Source: Aberdeen City Council (2017)

Age Profile

Figure 4.4 shows the age profile of homeless applicants. The vast majority of presentations are consistently from people aged 35 or under.

Key actions to address this include:

- The identification of a resource to provide home visits prior to a statutory homeless decision being made for those who are 16 – 25 years old to try and prevent homelessness.
- Assess the viability of the provision of a service similar to the [Edinburgh “Nightstop” service](#) whereby young people between the ages of 16 and 25 are provided with emergency accommodation for up to two weeks in the homes of approved volunteers to prevent young people from entering the formal homeless system.
- Raise awareness of the housing options toolkit. It is our intention to promote its use and have other professionals use it to prevent crisis and stop homelessness from actually occurring.

Figure 4.4: Age Profile of Homeless Applicants in Aberdeen

Age	2012/13	2013/14	2014/15	2015/16	2016/17
16-17	61	43	62	61	61
18-25	421	365	443	369	416
26-35	420	456	494	422	460
36-45	269	258	272	247	314
46-59	176	166	211	153	203
60+	23	32	33	33	36
Total	1,370	1,320	1,515	1,285	1,490

Source: Aberdeen City Council (2017)

Reason for Homeless Presentation

Homelessness can happen for a variety of reasons. Figure 4.5 below shows the 'reason for homeless presentation', which shows the most common reason is due to 'household disputes'.

Figure 4.5: Presentation Reasons for Homelessness in Aberdeen

Homeless Applications by Reason	2012/13	2013/14	2014/15	2015/16	2016/17
Termination of tenancy / mortgage due to rent arrears / default on payments	75	85	110	95	132
Other action by landlord resulting in the termination of the tenancy	150	160	185	60	85
Applicant terminated secure accommodation	95	90	90	65	81
Loss of service / tied accommodation	15	15	15	5	11
Discharge from prison / hospital / care / other institution	45	45	85	135	75
Emergency (fire, flood, storm, closing order from Environmental Health etc.)	5	0	0	0	0
Forced division and sale of matrimonial home	10	5	10	5	7
Other reason for loss of accommodation	85	120	120	100	93
Dispute within household: violent or abusive	95	100	205	180	228
Dispute within household / relationship breakdown: non-violent	250	250	320	275	394
Fleeing non-domestic violence	15	10	5	10	12
Harassment	5	5	5	10	10
Overcrowding	5	5	10	5	7
Asked to leave	365	245	260	270	265
Other reason for leaving accommodation / household	145	190	105	70	90
All	1,360	1,325	1,525	1,285	1,490

Source: Aberdeen City Council (2017)

Partnership Working

The council works closely with partners such as registered social landlords and private sector landlords to alleviate homelessness. This collaboration includes private sector leasing with landlords. It can also include entering into nomination agreements with registered social landlords where they have vacancies or making “section 5” referrals.

We have nominations agreements with a number of registered social landlords participating in [homehunt® \(North East Scotland\) NES](#), which operates a choice based lettings model to allocate 50% of their vacant properties to applicants from the council’s waiting lists. The choice based lettings and homelessness protocol adopts a proactive approach to housing applicants with priority need and aims to meet the statutory obligation to allocate a minimum of 50% of properties referred to within the protocol.

Figure 4.6 below shows the number of nominations from the council to registered social landlords in Aberdeen from 2012/2013 to 2016/2017.

Figure 4.6: Nominations to registered social landlords in Aberdeen

Year	Total
2012/2013	151
2013/2014	110
2014/2015	147
2015/2016	247
2016/2017	164

Source: Aberdeen City Council (2017)

We do not however make “section 5” referrals but a key action is to review the nomination agreement and “section 5” referrals arrangements with Homehunt NES.

The council works in partnership with Aberdeen Cyrenian’s Domestic Abuse Support & Accommodation Project (DASAP) and commissions services from Grampian Women’s Aid to support people fleeing domestic abuse.

Housing Options Approach

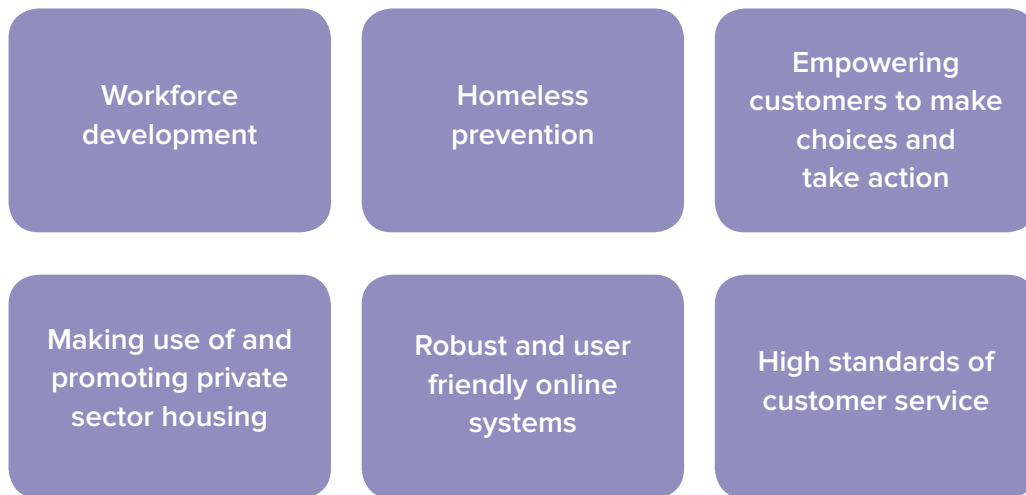
The Scottish Government set out guidance in the Housing (Scotland) Act 2014 that the main focus should be the prevention of homelessness through a housing options approach.

All applications for council housing are screened through the online housing options checker and proactively contacted by the council’s Housing Access Service in an attempt to identify potential issues that could lead to homelessness. In line with the national [Housing Options Guidance](#) published in March 2016, the Housing Access Service has been working to establish referral processes for specialist services in the city and improve the information available to households seeking housing to assist them in making informed decisions on their futures.

¹ Registered social landlords have an obligation under Section 5 of the Housing (Scotland) Act 2001 to help provide a permanent home to people experiencing homelessness.

During 2016/2017, Aberdeen recorded the highest levels of housing options approaches throughout Scotland seeing 4,240 registered. This is equivalent to 424 approaches per 10,000 households which is around 4% of all households within Aberdeen and twice the national average of 2%. Because local authorities have discretion to decide what constitutes an approach this leads to substantial differences in the volume of approaches received across the country. 49% of the households approaching the council during the year required basic housing advice only and would not be deemed to be at immediate risk of homelessness.

The following key principles have been identified in relation to our housing options approach:



Workforce development

The success of any housing options approach will be determined by the knowledge, skills, attitude and understanding of not only those delivering services but of the overall organisational awareness of the housing options approach. Staff will be given ongoing training to ensure that their knowledge is kept up to date to deliver an effective housing service for all our customers.

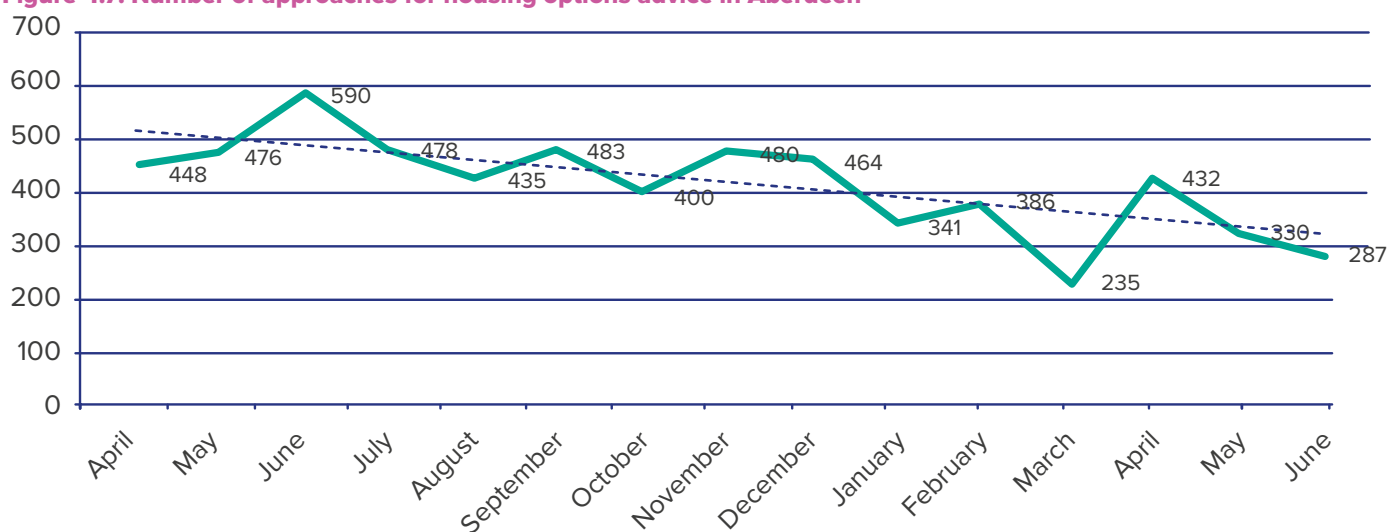
Homeless prevention

The council aims to help people to stay in their existing accommodation or where that cannot be achieved, help them to make a planned move into alternative accommodation. Homelessness prevention can resolve the uncertainty for families more quickly. There are a number of tools that are used to prevent homelessness for example, discretionary housing benefit payments, mortgage rescue schemes or a rent deposit scheme.

Using a preventative approach has already proved to be successful in reducing homelessness in Aberdeen and has been positively received by customers. Developing a flexible prevention service that meets the needs of all households at risk of becoming homeless will remain a key theme to future service development.

Housing Options and Prevention activity is monitored through the 'Prevent 1' Scottish Government statistical return. Figure 4.7 shows the number of approaches for housing options advice has reduced from a monthly high of 590 in June 2016 to 285 in June 2017.

Figure 4.7: Number of approaches for housing options advice in Aberdeen



Source: Aberdeen City Council (2017)



The council's prevention approach includes:

1. The "prevention fund" which is a financial resource to help prevent homelessness. The prevention fund is set up to provide two types of assistance:
 - Rent Deposit Guarantee Scheme (on page 52).
 - Travel expenses to prevent homelessness such as paying for an applicant to return to the area they have accommodation available.
2. Shelter Scotland have been commissioned by the council to work with all those households who are at risk of being evicted to promote tenancy sustainment.
3. The council's Financial Inclusion Team provides money advice to residents of Aberdeen.
4. Work by Aberdeen Cyrenians to provide a service which provides information, advice and support to those who are homeless or at risk of homelessness.

Empowering customers to make choices and take action

The starting point for the delivery of housing options services is a customer's rights, needs and aspirations, as well as the local authority's duties towards them.

Whatever housing options are eventually pursued, this decision must be made by the customer, fully informed and fully supported by services. Citizens of Aberdeen have made it clear that they want to be treated as individuals, involved in making their own decisions regarding where they live. Providing households with information about the options available to them so that they can make their own choice about their housing can be a significant element to building more sustainable and vibrant communities. Whatever each households' priority, people in Aberdeen will welcome having more involvement in choosing where they live and being given the information which allows them to help themselves to avoid becoming homeless.

We are currently contacting every person applying for housing on our waiting lists to discuss their situation and to make them aware of their options for finding accommodation through the self-service tool to empower them to make choices. We are also considering peer worker involvement and how we can involve people with lived experience in service design.

Making use of and promoting private sector housing options

Working with private landlords to raise the standard and availability of private rented accommodation across the city gives customers greater choice in the type and location of their housing. The development of services that caters for all households in the private rented sector will reduce the reliance on social housing which is already unable to meet current demands. It will also decrease the demand for housing services dealing with people in crisis.

The recent reduction in private sector rents makes the private rented sector a more viable option for some people. Rents are now broadly in line with local housing allowance rates which means it is now more affordable than in the past. The changes to the tenancy regime also mean that tenants are afforded more security of tenure with open ended tenancies which last until the tenant wishes to leave or the landlord uses one or more of the 18 grounds for possession.

A key action is to develop the circumstances in which we can discharge our duty to provide housing to the private sector. This is likely to be in cases where the individual is unlikely to be offered accommodation that will be available within the council's target of 100 days or where the individual is deemed to be intentionally homeless. In order to be able to do this successfully we need to develop stronger links with local estate agents and landlords in order to provide up to date information on the availability of housing in the area.

An initiative in the prevention and alleviation of homelessness is the help with the deposit that is needed to secure a privately rented property. This is a particularly cost-effective method for delivering help whereby a deposit guarantee is offered. Rather than handing cash to a landlord or letting agent, a guarantee is given that in certain circumstances such as rent arrears or damage, the landlord will be recompensed up to a set limit.

Figure 4.8 below shows the amount paid to private landlords by the council under the Rent Deposit Guarantee Scheme over the last five years in order to prevent homelessness. 59% of these deposits have been provided to those who are 35 years and under.

Figure 4.8: Rent Deposits by Aberdeen City Council

Year	Number Rent Deposits	Payment Amount
2016/17	83	£52,512
2015/16	34	£28,558
2014/15	5	£2,980
2013/14	0	£0*
2012/13	6	£3,300
Total	128	£87,350

Source: Aberdeen City Council (2017)

*No rent deposits were paid in 2013/14 due to a systems error.

High standards of customer service

Central to the delivery of effective housing options is a focus on customer service. The varying demands of customers' means that services are delivered across a number of platforms, allowing customers to interact effectively with services to receive the required advice and information at times and locations convenient to them.

Robust and user friendly online systems

A key component of providing effective and efficient housing options is the provision of suitable on line technology which will allow customers to access information about their housing options online and in accessible locations. The provision of self-assessment tools will allow customers to input their individual circumstance and produce a tailored list of housing options.

Planning for known milestones

Effective partnership working is essential to ensure a joined up approach to planning for known milestones such as looked after children who are leaving care or those leaving institutions such as prison.

Looked after children

The Children and Young People (Scotland) Act 2014 placed new duties on local authorities in terms of their Corporate Parenting responsibilities for looked after children and young people and care leavers. The council's [Corporate Parenting Policy](#) makes a commitment to ensure that the needs of children and young people are at the centre of decisions made around housing and any housing support offered to families. A joint working protocol was agreed between our housing and children's social work services in April 2011. This protocol is currently being reviewed and there is ongoing work to continue to explore how we improve the outcomes for looked after children following their transition on from care.

Leaving Prison

The council works closely with the Scottish Prison Service to prevent homelessness and provide the support prisoners may need on their release from prison. One full time member of staff is based at HMP Grampian to support prisoners manage their housing situation and to plan for their release. There is a single point of contact which has been shared with Scottish Prison Service for them to inform us of an imminent release from either HMP Grampian or other areas of the prison estate.

The Scottish Quality Standards for Housing Advice, Information and Support have produced the [Sustainable Housing on Release for Everyone \(SHORE\) protocol](#) for people on remand or serving short term sentences. The council will review its protocol in line with the recommendations and continue to explore options to improve outcomes for this particularly vulnerable group.

Case conferences and crisis situations have highlighted the need for outcomes to be improved, with an agreed consensus that a different approach such as Housing First, could likely contribute to a far wider prevention agenda. Subject to committee approval, it is proposed that Housing First customers will be identified across these three identified categories:

- Looked after children.
- Prison leavers.
- Those identified as being chronic homeless.

Housing First

Housing First has gained international attention and acclaim as a model to support households with chaotic or complex backgrounds to move permanently out of a cycle of rough sleeping or homelessness by provision of a solid foundation. There is extensive evidence from Scotland, England and overseas showing that a Housing First model provides a sustainable solution to resolving homelessness.

The principles of a Housing First service are:

- People have a right to a home.
- Flexible support is provided for all, as long as needed.
- Housing and support provision are separated.
- Individuals have choice and control.
- An active engagement approach is used.
- The service is based on people's strengths, goals and aspirations.
- A harm reduction approach.

Following extensive consultation with key stakeholders, requirements and resources have been identified and a roadmap to delivering a Housing First service in Aberdeen is well underway. Previous work to map chronic homeless cases and associated costs have been utilised to identify a potential pool of customers for this service.

Scottish Social Housing Charter

The [Scottish Government's Social Housing Charter](#) came into force in April 2012.

The charter sets out clear standards and outcomes that homeless people or those threatened with homelessness can expect from the council. Section 12 makes specific mention of homeless applicants where it states:

“Homeless people get prompt and easy access to help and advice; are provided with suitable good quality temporary or emergency accommodation when this is needed; and are offered continuing support to help them get and keep the home they are entitled to”.

The role of the [Scottish Housing Regulator](#) is to monitor and assess landlords' performance against the Charter, through regulatory assessments, published analysis and thematic work. The regulator will intervene to secure improvement when there is a need to. Each year they publish reports about each social landlord's performance against the charter.

In 2016/17, Aberdeen City Council reported to the regulator that 92% of new tenancies to applicants who were assessed as statutory homeless sustained for more than a year. It also reported 86% of those households who were homeless in the last 12 months were satisfied with the quality of temporary or emergency accommodation.

Welfare Reform

Changes to the benefits system are reducing the value of benefits that people are able to claim which is undermining the current delivery models for temporary accommodation. The full impact of this cannot be assessed until full guidance is available from the UK and Scottish Governments'.

Benefits Cap

In November 2016 the amount of benefits that can be claimed was restricted to:

- £257.69 – single person
- £384.62 – family

In April 2017 the cap affected 46 households in temporary accommodation.

Universal Credit

The implementation of Universal Credit has had a significant impact as claimants are no longer entitled to receive enhanced assistance to meet housing costs whilst in temporary accommodation, which has resulted in rent arrears for those unable to meet the shortfall.

Local Housing Allowance Rate

Changes to housing benefits regulations due to be introduced in April 2018 will see rates capped to the Local Housing Allowance (LHA) rate. Those aged 35 and under will see the rate further reduced to the equivalent of 'shared room rates'. Figure 4.9 shows the LHA rate for 2017/18.

Figure 4.9: Local Housing Allowance Rates for Aberdeen and Aberdeenshire, 2017/18

Number of Bedrooms	Weekly Rate	Calendar Monthly Equivalent
Shared room rate	£75.63	£327.73
1 Bedroom	£120.82	£523.55
2 Bedrooms	£161.10	£698.09
3 Bedrooms	£184.94	£801.40
4 Bedrooms	£235.97	£1,022.53

Source: *Scottish Government (2017)*

In order to mitigate some of the impacts of welfare reform, shared accommodation is being considered for all single homeless applicants. For those individuals who have been determined as intentionally homeless, temporary accommodation will, as far as possible, be limited to those with non-secure tenancies, for example, managed shared units. There is also to be a review of the rents levied in temporary accommodation.

Temporary Accommodation

The council has a legal duty to help people who are homeless or threatened with homelessness. This duty includes a duty to provide temporary accommodation while their application is being assessed and until they have permanent accommodation if they are deemed to be intentionally homeless.

We currently have a range of fully furnished, self-contained temporary accommodation properties that are a mixture of property types and sizes. As shown in Figure 4.10 below, the majority of properties are provided by the council with little reliance on bed and breakfast or hotel accommodation.

Figure 4.10: Temporary Accommodation in Aberdeen

	Aberdeen City Council Temporary Accommodation	Hostel	B&B	Hotel	PSL	Supported Flats	Total
2012/2013	296	60	30	0	86	60	532
2013/2014	297	60	30	0	101	59	547
2014/2015	315	60	30	61	103	37	606
2015/2016	349	63	30	27	139	56	664
2016/2017	325	66	15	0	156	56	618

Source: Aberdeen City Council (2017)

It should be noted that temporary accommodation is not universally used for persons presenting as homeless. At any given time we are consistently using around 12% (74) of the stock for other purposes such as housing mainstream tenants who need to be decanted, Syrian Refugees as part of the [New Scots Programme](#) and for interim homeless discharge.

In order to ensure we continue to have a sufficient and effective supply of temporary accommodation, key objectives that underpin the local housing strategy in relation to temporary accommodation are:

- Demand for temporary accommodation will reduce because of the success of our housing options and prevention approach which will reduce our requirement to use bed and breakfast accommodation.
- Through earlier interventions and a housing options approach we will mitigate the need for interim temporary accommodation.
- The average length of time spent in temporary accommodation will be reduced and a target of no more than 90 days will be set.
- The entire homeless journey will be no more than 100 days.
- Where appropriate, private sector housing will be utilised in order to discharge accommodation duties.

The Council intends to reduce the use of hostels and temporary accommodation by moving towards a Housing First model.

Temporary Accommodation and Welfare Reform

Two of the proposed changes to the welfare benefits system give cause for concern for those who require temporary accommodation. Firstly, the restriction of Local Housing Allowance rates will reduce the level of housing benefit or housing costs element of Universal Credit. Secondly, the abolition of the help with housing costs for those aged 21 or under will also have an effect. To mitigate this, shared accommodation will be better utilised.

Housing Support and Supported Accommodation

The council has a duty to assess the housing support needs of homelessness applicants who are unintentionally homeless or threatened with homelessness and where there is reason to believe there is a housing support need. The council has a housing support team that provides around 720 hours per week of basic tenancy support across all tenures. Figure 4.11 below shows the number of applicants assessed and the number where housing support is provided.

Figure 4.11: Housing Support Provision in Aberdeen

	2013/2014	2014/2015	2015/2016	2016/2017
Assessed under the Housing Support Regulations	288	553	694	627
Support Provided under the Housing Support Regulations	221	366	403	559

Source: Aberdeen City Council (2017)

In addition to the housing support provided by the council, a range of housing support is commissioned from:

- Aberdeen Cyrenians.
- Penumbra.
- Grampian Autistic Society.
- Inspire.
- Turning Point Scotland.
- Castlehill Key Project.

Supported accommodation services are also commissioned from:

- Aberdeen Cyrenians Margaret House: care home providing 12 spaces.
- Scottish Association for Mental Health Bloomfield Road: supported accommodation providing 5 spaces plus outreach services.
- Grampian Woman Aid: provide 'core and cluster' model that provides self-contained accommodation.

In 2016/17 the following new services were commissioned:

- Aberdeen Foyer: A service for young people providing 27 spaces in supported accommodation.
- Barnardos: An outreach housing support service for young people.
- Shelter Scotland: A service to prevent evictions and provide in court advice.

Supported Accommodation

On 31 October 2017, the UK Government issued a policy statement and consultation paper '[Funding Supported Housing](#)' concerning the future funding of supported accommodation. This effectively reversed the previous decision that tenants in social housing would be capped to the Local Housing Allowance rate for their rents from April 2018, while in receipt of Universal Credit and for supported accommodation, where the implementation date was deferred to April 2019.

Short-term supported housing will now be funded through a new ring-fenced grant to local authorities in England. In Wales and Scotland, an equivalent amount will be provided and it will be for our respective administrations to decide how best to allocate funding. UK Government has given commitments to work with sector and devolved Governments on a longer term solution, which will deliver the original policy aims of better oversight and linking funding with outcomes for individuals and value for money.

The Scottish Government approach following the consultation is currently being developed and as such, it is not known at this stage what support will be given to local authorities or on what basis this money will be distributed.

In light of the current unknown financial position and lack of funding instruction for social and supported accommodation, planning ahead and predicting the impact of this is difficult. However, key actions to reduce demand and the subsequent cost of temporary accommodation have been developed and are outlined in the joint delivery plan at Appendix 1.

Key Indicators

A Health Inequalities Impact Assessment will be undertaken. The indicators and actions will be revised as required.

Homelessness is prevented and alleviated.			
Indicator	Frequency & Source	Baseline	Target
Percentage of statutory homeless decisions reached within 28 days.	Annual Aberdeen City Council	97%	100%
Length of time spent in temporary accommodation.	Annual Aberdeen City Council	103.9 days	90 days
Homeless journey time.	Annual Aberdeen City Council	182 days	100 days
Reduce repeat homelessness.	Annual Aberdeen City Council	5.08%	5% (2016/17) 4% (2020/21) 2% (2026/27)
Increase percentage of households previously homeless that have sustained their tenancy for more than one year.	Annual Aberdeen City Council	92.7%	94% (2016/17) 96% (2020/21) 100% (2026/27)

Strategic Outcome 3

“

People are supported to live, as far as is reasonably practicable, independently at home or in a homely setting in their community.

”

Main Issues



Increasing demand for services due to demographic changes as people live longer and have more complex long term conditions.

Lack of suitable housing for people who have a learning disability, mental health or substance misuse problems.

Suitable properties to facilitate hospital discharge.

Budget pressure in relation to the provision of adaptations across all sectors.

Key Actions



Progress the planned expansion of extra care housing provision in line with the outcomes of the housing for varying needs review.

Undertake a review of specialist housing requirements to help support people to live independently in line with priorities identified in the strategic plan and strategic commissioning implementation plan.

Revise protocols between all social housing providers across Aberdeen and the Health & Social Care Partnership to facilitate hospital discharges.

Increase provision of intermediate care services by providing short stay, adapted housing as step up/step down accommodation to enable people to leave hospital or receive additional support to prevent unplanned admission.

Work with the Aberdeen Intergration Joint Board to identify appropriate levels of funding for adaptations.

Implement the recommendations from the adapting for change demonstrator sites.

Update housing contribution statement.

Ensure that the local housing strategy positively influences health inequalities and health outcomes.

Establish a Joint Assessment Panel - Very Sheltered Housing/Care Home Panel.

Review of charging policy for sheltered/very sheltered housing (including meals charge).

Review service level agreements in place with the Disabled Persons Housing Service and Citizens Advice Bureau for the provision of housing information and advice.

Increase the number of new build properties that are adapted to meet particular needs.

Develop a housing, health and social care performance framework.

Introduction

Housing is at the heart of independent living; good quality housing and support services can significantly improve the lives of older people and those with complex needs.

This chapter focuses on how housing and housing related services enables people to maintain their independence in their own home, or in a homely setting in their community. It demonstrates the actual and anticipated contribution made across the housing sector to meet the needs of an ageing population, people with a disability or long term health condition or complex needs. It also addresses the needs of young people and ethnic minorities as well as planning the requirements for supported accommodation.

This is in line with the main drivers articulated within the [Local Outcome Improvement Plan](#) and [Aberdeen City Health & Social Care Partnership's Strategic Plan](#), which is to enable people to live within their community in a manner in which they feel safe and protected from harm, supported when necessary and fully included within the life of the city.

Independent Living

Independent living is about freedom, choice, dignity and control for people of all ages, backgrounds and abilities to live safely and as independently as possible in appropriate housing with control over their care and support.

Demographic projections indicate a significant increase in the number of older people and people with complex needs who are living longer with a combination of physical and mental health conditions. Local and national policies around “shifting the balance of care” away from residential/institutional settings to the provision of care at home has significant implications for housing and housing related services, such as the provision of housing support and adaptations.

Health and Social Care Partnership

Aberdeen City's Health & Social Care Partnership was formed in February 2016 following the introduction of the Public Bodies (Joint Working) (Scotland) Act 2014. The Act sets out a range of health, social care and housing function which must or may be delegated.

Delegated housing functions include the provision of aids and adaptations in council and private sector housing. It also includes the provision of garden maintenance services for vulnerable people. Aids and adaptations for registered social landlords are funded directly by the Scottish Government.

The Integration Joint Board is responsible delivery of the delegated function and the outcomes articulated in [Aberdeen City Health & Social Care Partnership Strategic Plan 2016 - 19](#).



The strategic plan is aligned with the [nine national health and wellbeing outcomes](#).

Housing makes a key contribution to the delivery of these outcomes, in particular Outcome 2: “People, including those with disabilities, long term conditions or who are frail are able to live as far as is reasonably practicable independently and at home or in a homely setting in their community”.

The Housing Contribution Statement 2016 - 2019

The housing contribution statement is the key link between the local housing strategy and the strategic plan. It sets out the key housing actions and priorities which include:

Increase the provision of intermediate care through the provision of furnished step up/step down accommodation.

Progress the expansion of extra care housing provision.

Undertake a review of specialist housing requirements for people with mental health, learning disabilities and substance misuse.

Provision of resources to assist health and social care professionals to address the shortage of carers in the city.

Review the allocations policy and the voids process to minimise time to allocate suitable properties for urgent medical priority cases and to provide for decants for homeowners whilst adaptations or sale/purchase of not or more suitable property proceeds.

Revise protocols between housing providers and the Health & Social Care Partnership for hospital discharges.

The local housing strategy and the strategic plan are aligned to ensure delivery of priorities in relation to housing and health and social care. The strategic plan and housing contribution statement is due to be refreshed in 2018/19. This will articulate how we will address joint challenges around changing demographics identified within this section.

Care and Support

Care and support services can support people to live independently. The growing number of older people and people living with high and complex care needs has seen the requirement for care and support services increase. This combined with workforce recruitment and retention challenges can lead to unmet need, affecting people who are struggling to cope, which may put a strain on carers and family members.

Care packages may include: a care at home service, providing personal care and support, a housing support service that enables people to maintain their own tenancy, or a combination of these. This can be provided in mainstream, sheltered, very sheltered, supported housing or hostel settings.

Home care supports people to live at home who may otherwise require care home provision. Figure 5.1 shows that the majority of home care provision in the city is for older people and people with dementia; these two client groups account for 79.4% (1,460 people) of the home care provided.

Figure 5.1: Home Care Provision by Client Needs in Aberdeen

	Dementia	Mental Health Problems	Learning Disabilities	Physical Disabilities	Older People	People in Other Groups	All People
Number	270	30	100	220	1,190	30	1,840
%	14.7	1.6	5.4	12	64.7	1.6	100

Source: [Social Care Survey 2016](#)

Care and Repair

Aberdeen Care and Repair provides help to older homeowners and those with a disability or long term illness to repair and adapt their homes to allow them to remain living within the community. The council funds the core elements of the service with additional funding sourced from a variety of charitable organisations.

The services provided include:

Small Repairs service to carry out minor but essential repairs.
Assistance with larger repairs to the external fabric of the home.
Assistance with adaptations to the home.
Advice on financial inclusion and funding options.
Home safety screening tool.
Energy advice, including affordable warmth loan agreements.
Signposting to other services and agencies.

Aberdeen Care and Repair is also participating in the [Care and Repair Dementia Enablement project \(2016-2019\)](#) that is funded through the Life Changing Trust and the Big Lottery. The project had 107 referrals made during its first year, providing advice and practical assistance for people with dementia to improve safety and support independent living.

Technology Enabled Care

Technology Enabled Care (TEC) improves the quality of life for older people and people with specific needs by enabling them to maintain their independence and help them to live longer in their own homes. TEC can reduce unplanned hospital admissions, enable timely discharge from hospital and avoid admission to residential care or nursing homes.

TEC can enhance safety, and security, promote independence and is widely used in a variety of accommodation including amenity with telecare, sheltered, very sheltered housing and specialist housing services for people with mental health conditions or learning disabilities.

In 2014, the council embarked on a two year programme to upgrade the infrastructure to support TEC within sheltered and very sheltered housing to ensure properties were fully telecare enabled. In 2016/17, Castlehill and Sanctuary Housing Associations received funding to upgrade systems in their sheltered and very sheltered properties.

Since 2015, Bon Accord Care¹ and the council have received funding from the [Scottish Government Technology Enabled Care Programme](#) to raise awareness in the acute hospital sector and develop community capacity. In particular a key aim is to improve awareness and use of technology within the housing sector. Dedicated staff provide training and awareness raising sessions for staff and tenants and have developed a screening tool to aid housing staff to identify where TEC may be beneficial for tenants.

In 2016 a pilot project took place in Loch Court; a local authority sheltered housing development using a combination of the [housing service portal](#)² and inactivity sensors to remotely monitor tenant activity as an alternative to the morning welfare call. Following the success of this project, the housing service portal is being rolled out to other sheltered housing developments in the city.

¹ Bon Accord Care is a Local Authority Trading Company, established in 2013 to deliver a range of adult social care services.

² Tunstall's Housing Services portal is a scheme management application that operates on windows tablet or PC

Care Home Provision

A key priority within the [Aberdeen City Health and Social Care Partnership Strategic Plan](#) is to “promote and support self-management and independence for individuals for as long as reasonably practicable”. However, independent living may eventually become an option that is no longer appropriate for some people and they may require residential or nursing care in a care home setting.

Figure 5.2 shows the number of registered places in care homes for older people per 1,000 population, which has fallen (by approximately 160 bed spaces), in line with local and national policy.

Figure 5.2: Registered Places in Care Homes for Older People per 1,000 Population aged 65 and over

	2006	2016	Change
Aberdeen	48	43	-5
Scotland	46	38	-8

Source: [ISD Scotland Data Tables October 2016](#)

The [Partnership’s Strategic Commissioning Implementation Plan](#) indicates its future commissioning intention is to focus on individuals with more complex needs. The needs of those with less intensive needs that might previously have been met in a care home setting will be supported in a combination of ‘extra-care housing’ and ‘flexible intermediate care support’. This policy shift will have significant implications on the type of housing required to meet the needs of older people and the future demand for extra care or very sheltered housing provision for older people in the city. Therefore, a key action of this strategy is to progress the expansion of extra care housing provision.

Hospital Delayed Discharge

Hospital delayed discharge continues to be a challenge. The rising trends in the number of people in hospital waiting for specialist housing presents challenges, whilst these are not high in numbers, the length of delay, often more than six weeks, can result in a high number of bed-days lost. In Aberdeen, establishing a multidisciplinary approach has significantly reduced the number of patients delayed by housing issues. A range of measures have been introduced such as regular multidisciplinary meetings, led by housing services with representation from the Health and Social Care Partnership, the council, NHS Grampian and [Disabled Persons Housing Service](#). The group meet regularly to discuss cases, including those who are likely to be delayed and those in interim accommodation, taking a person centred approach to finding a solution to the persons housing needs.

This approach has resulted in identifying a number of strategic priorities such as the need for interim housing solutions, where patients can wait for adaptations to their property or alternative housing.

In response to this we have provided:

- Clashieknowe: providing short-term bedsit accommodation in 18 properties (including 6 suitable for wheelchair use). Rehabilitation and support is provided on site.
- Interim accommodation: for those with low level support needs. In June 2017, the Integration Joint Board agreed to fund a pilot using two wheelchair accessible properties that will provide accommodation for those with low-level support needs awaiting adaptation or rehousing.
- Bariatric accommodation: in response to increasing needs we have designed 2 x two bedroom flats within council new build due for completion in 2018.

Complex Needs

Research has shown there are a significant number of people with complex needs in hospitals across Scotland unable to leave due to the absence of suitable accommodation and support in the community. This includes people with profound learning disabilities or mental health problems who also have physical and/or behaviour issues. In response to this, the “Community Based Living Solutions for People with Complex Needs” project was established in January 2016.

The project sponsors and the Good Life Group will publish a report on the findings from the pilot exercise in 2017. Recommendations and solutions relating to meeting housing need will be incorporated within the local housing strategy’s joint delivery action plan and updates provided in the annual local housing strategy reports.

Adaptations

Adaptations are consistently shown to deliver better outcomes at a lower cost, providing a better quality of life for service users and their carers. In 2016, the private and council housing aids and adaptations functions were delegated to the Integration Joint Board, whilst the Scottish Government remain responsible for managing the distribution of Stage 3 funding for adaptations to properties owned by registered social landlords. Adequate funding levels remains challenging across all sectors. The shift in the balance of care has intensified pressure on already overstretched budgets with a higher level of investment in adaptations required to help people maintain their independence and avoid more costly interventions.

Private Sector Adaptations

The budget is currently set at £700,000² per annum to provide disabled adaptations in the private sector in accordance with the Scheme of Assistance. Demand on this service is growing from 151 cases in 2012/13 to 223 cases in 2016/17. Figure 5.3 details the number of cases and spend since 2012.

Figure 5.3: Disabled Adaptations in the Private Sector in Aberdeen

Disabled Adaptations (Private Sector)		
Financial Year	No of Cases Approved	Amount Spent
2012 - 2013	151	£ 737,311
2013 - 2014	171	£ 619,858
2014 - 2015	186	£ 680,799
2015 - 2016	219	£ 834,656
2016 - 2017	223	£ 777,626

Source: [Scottish Government \(2017\)](#)

² Set as part of the council's 5 year budget setting process from 2014/15 to 2018/19. This is now part of the functions delegated to the Integration Joint Board and will be negotiated as part of their budget setting processes.

Council Housing Adaptations

Council housing equipment and adaptations are funded by the Housing Revenue Account (HRA). The annual £1million³ budget was overspent in 2016/17.

Figure 5.4 shows the number of adaptations and costs since 2015/16.

Figure 5.4: HRA Equipment and Adaptations in Aberdeen

Council Housing	2015/16	2016/17
Total Adaptations	898	1,219
Total Properties	655	732
Total Costs	£967,750	£1,100,689

Source: Aberdeen City Council (2017)

In 2014, Aberdeen became one of five [Adapting for Change](#) demonstrator sites, responsible for testing the recommendations given in the Scottish Government's report. The main aim of the [Aberdeen project](#) was to develop a more streamlined adaptations service across Aberdeen. The cross sector project team looked at early intervention and preventative approaches as well as re-ablement, to ultimately promote independence at home through appropriate adaptations. This has included development of technology enabled solutions alongside traditional adaptation provision, and attention to design in the home environment. Work is ongoing to identify specific actions which will be included within the action plan and progress will be reported through annual updates.

Specialist Provision

Specialist provision refers to the wide range of accommodation needs and care support services required to allow people to live independently.

In order to progress the [national health and wellbeing outcomes](#) and the priorities within the Aberdeen [Local Outcome Improvement Plan](#), [Aberdeen Health and Social Care Partnership's Strategic Plan](#) and [housing contribution statement](#) we need to address future demand for specialist provision housing.

The delivery of specialist provision housing can be achieved through new build or the re-provisioning or adapting of existing properties. It can also be delivered in non-adapted properties through the provision of aids and/or care and support service.

Specialist provision includes:

Accessible or adapted housing.
Non-permanent accommodation.
Supported accommodation.
Care and support services.
Sites and pitches for Gypsy/Travellers.

³ Set as part of the council's 5 year budget setting process from 2014/15 to 2018/19. This is now part of the functions delegated to the Integration Joint Board and will be negotiated as part of their budget setting processes.

People requiring specialist provision housing may include:

Older people.
People with dementia.
People with a physical disability.
People with a mental health condition.
People with a learning disability.
Young people.
Students (See Private Rented Sector chapter).
People requiring or leaving supported accommodation.
Ethnic minorities including migrants, asylum seekers, refugees, Gypsy/Travellers.
Supported accommodation (also see Homelessness chapter).

Aberdeen City’s Health & Social Care Partnership has identified an increasing problem in housing younger people living with mental health conditions, physical disabilities or early onset dementia. Although not ideal, care homes are being used due to a lack of appropriate supported accommodation in the community. Traditionally this group are not eligible for sheltered/very sheltered housing but require a similar type of extra care housing provision so they can be supported within the community. The needs of this group will be considered as part of the accommodation review that is due to commence in 2018.

Older People

[Age, Home and Community: A Strategy for Housing for Scotland’s Older People: 2012 – 2021](#) sets out the vision that “older people in Scotland are valued as an asset, their voices are heard, and older people are supported to enjoy full and positive lives in their own home or in a homely setting”. In line with this, our local housing strategy recognises the importance of making better use of our housing stock, providing adaptations and good information and advice to support older people to live independently for longer.

The National Records of Scotland population projections show significant increases in the city’s older population over the next 25 years. Figure 5.5 shows the highest increase at 94.8% is in the 85 years and over group.

Figure 5.5: Population, projected increase for older people, 2014 – 2039 (2014 based)

Age	Population 2014	Population 2039	Population increase	Percentage increase
65-74 years	18,104	22,947	4,843	+26.8%
75 -84 years	11,643	18,030	6,387	+54.9%
85 years and over	4,515	8,795	4,280	+94.8%

Source: [National Records of Scotland \(2017\)](#)

In line with the ageing population projections, anticipating the percentage of households headed by someone aged 60-74 is projected to increase from 17% to 21% and the 75+ age group is expected to double from 10% to 20%.

The [Strategic Commissioning Implementation Plan, 2017](#) is proposing to reduce its 'bed based care' for older people within care home settings with alternative community settings. All housing options for older people, including ownership, private rented, and social rented housing need be considered to support independent living options for as long as practicable.

Within the private sector there are over 300 retirement homes in the city available for older people to buy or rent. The majority of private sector new build projects within the city are providing small family accommodation in the form of two bedroom flats or family housing. Planning for new developments needs to include affordable housing that is accessible, adaptable and meets the changing needs of older people. Figure 5.6 shows there are 5,653 specialist housing properties in the social rented sector in Aberdeen designed to meet the needs of older people.

Figure 5.6: Social Housing Specialist Housing Provision in Aberdeen

Housing Type	Number of specialist provision properties	As a % of 65+ age group 2014 (Population 34,262)	As a % of 65+ age group 2039 (Projected Population 49,772)
Very Sheltered	110	0.3%	0.2%
Sheltered	2,573	7.5%	5.2%
Medium Dependency Housing (including amenity)	1,031	3.0%	2.1%
Other dwellings fitted with community alarm	1,939	5.7%	3.9%
Total	5,653	16.5%	11.4%

Source: [Scottish Government \(2016\)](#)⁴

In 2011 a review of the council's sheltered and very sheltered housing was carried out to ensure a sustainable mix of housing and housing with support was available to meet the future needs of older people. [The Housing for Varying Needs Review](#) looked at demographic projections, considered the trends in demand and the quality and quantity of its existing provision of sheltered and very sheltered housing stock. It identified an overprovision of sheltered housing and shortage of very sheltered and medium dependency (amenity) housing and recommended a realignment of accommodation.

An implementation plan was agreed which has seen the council's sheltered housing stock reduce by 14% from 2,277 in 2012 to 1,939 in 2017 and medium dependency housing increase by 81% from 695 to 1,261 over the same period. Clashieknowe was decommissioned, refurbished and now provides an intermediate care facility and Provost Hogg Court has been upgraded to very sheltered housing standard.

In March 2015, the council introduced a change in its allocations policy for low demand multi-storey sheltered housing complexes. This allowed properties to be let to applicants who may not necessarily require sheltered housing but would benefit from staying in this type of accommodation. This enhances the range of options to housing with flexible support.

These changes are beginning to have an impact on waiting times. In January 2016 there were 782 applicants on the council's waiting list for sheltered housing with an average waiting time of 59 months for this type of accommodation. By September 2017 this has reduced to 509 applicants with the average length of time on the list reducing to 41 months.

The waiting times are generally due to applicants choice of area rather than availability of sheltered housing.

⁴ Information on RSL properties has not been recorded since 2013

In 2016/17, 240 applicants with ‘priority need’ were housed. The average waiting time was 16 months. Figure 5.7 shows the number of people on the waiting list for sheltered housing by priority need. The high number of applicants with ‘priority need’ means that there are number of people with ‘low level’ needs who have little or no likelihood of being housed. The allocation of very sheltered housing is overseen by a joint panel who consider both the care and support needs of individuals.

Figure 5.7: Sheltered Housing Waiting List - Aberdeen City Council

	January 2016	September 2017
High	82	64
Medium	315	123
Low	280	145
Social Support	22	65
Low Demand	83	52
No Priority	Not Available	60
Total	782	509

Source: Aberdeen City Council (2017)

Partners involved in the production of this strategy also suggested a more flexible allocations process across social sector housing to enable older people to downsize but still remain within their local community where possible.

People Living with Dementia

The number of people in Scotland with dementia is expected to double over the next 25 years which presents a number of challenges. [A report by Alzheimer Scotland \(2017\)](#) ascertained that 3,455 people (1.5% of the population) are living with in Aberdeen. Research also shows that people with learning disabilities have a higher risk of developing dementia than the general population and there is an increased risk for people with Down’s Syndrome developing this condition at a much earlier age.

One of the key outcomes within the [National Dementia Strategy 2017 - 2020](#) is that “...more people with dementia are enabled to live well and safely at home or in a homely setting for as long as they and their family wish.” To meet this outcome we need to provide housing and support that maximises and promotes independence. Services provided by landlords such as housing support, aids and adaptations and [Care and Repair](#) services (provided to people in private housing sector) are an essential part to help people with dementia to live safely at home.

Aberdeen is implementing the recommendations of the Scottish Dementia Strategy, through actions identified in its [Dementia Action Plan 2014 - 2024](#). Work is ongoing to ensure that Aberdeen is a ‘dementia friendly city’. Dementia awareness training will continue to be implemented across all front line housing services.

People with Physical Disabilities

People with physical disabilities require a range of specialist or adapted properties in order to enable independent living. The council reports annually to the Scottish Government on the provision of accessible housing and adapted properties across the council housing sector⁵. Figure 5.8 shows an 11% increase since 2012, from 2,262 to 2,502 properties.

Figure 5.8: Council Housing for People with Physical Disabilities

	2012	2013	2014	2015	2016	2017
Sheltered Housing - Wheelchair Accessible	150	192	212	218	223	223
Housing for People with Physical Disabilities	296	266	279	283	293	293
Ambulant Disabled	61	61	63	85	86	86
Other Adaptations	1,755	1,755	1,899	1,899	1,900	1,900
Totals	2,262	2,274	2,453	2,485	2,502	2,502

Source: *Scottish Government (2016)*⁶

Analysis of the council's housing list (as at 1 September 2017) showed 57 applicants required wheelchair accessible housing. Figure 5.9 shows the breakdown of house size required. To help reduce the number of applicants waiting for wheelchair accessible housing, the Aberdeen City Strategic Housing Investment Plan 2019 - 2024 will include wheelchair accessible housing as part of the city's affordable housing new build programme.

Figure 5.9: Housing List for Wheelchair Accessible Housing

Number of Bedrooms	Number of Applicants
1	30
2	22
3	2
4	3
Total	57

Source: *Aberdeen City Council (2017)*

⁵ This information is published in the Scottish Government S1B statistical returns. Comparable information on RSL has not been produced since 2013

⁶ Information on RSL properties has not been recorded since 2013

New build council housing is being built which includes housing suitable for people with particular needs. See Figure 5.10 below.

Figure 5.10: Council New Build Disabled Adaptation Provision

Smithfield			
Property type	Size	No. of properties	Additional features
House	3 bedrooms	36	Ground floor: - adaptable shower room - bedroom
House	4 bedrooms	6	Ground floor: - adaptable shower room - bedroom
Flat	1 bedroom	4	Adaptable shower room
Flat	2 bedroom	12	Adaptable shower room
Manor Park			
House	4 bedrooms	8	Ground floor: - adaptable shower room - bedroom
Flat	1 bedroom	6	Adaptable shower room
Flat	2 bedroom	2	Suitable for bariatric clients

Source: Aberdeen City Council (2017)

The demand for wheelchair accessible properties continues to be monitored with targets being considered as part of the discussions around the Strategic Housing Investment Plan 2019 - 2024.

Mobility Scooters

The number people using mobility scooters is increasing. This has presented an issue in some of our sheltered housing developments as poor storage of some scooters has caused an obstruction, sometimes blocking corridors and fire escape routes. In response, the council introduced a [mobility scooter policy](#) in January 2016. Given this trend, recharging facilities and storage need to be considered in new build sheltered/very sheltered/extra care developments.

People Living with a Mental Health Condition and Substance Misuse

Mental health and housing are intrinsically linked. Good quality, affordable housing is essential to the wellbeing of people living with mental health problems. Secure and settled accommodation in a safe and stable environment with the right support, can have a positive impact in supporting people's recovery.

The majority of people with mental health conditions live in mainstream housing but some require more supported accommodation. The current social care eligibility criteria mean those who are 'high risk' or emergency cases are eligible for supported accommodation.

It is becoming increasingly difficult to find appropriate accommodation for people with dual diagnosis such as substance misuse/mental health problems or those with long term, enduring mental health problems. Those who are assessed as low to medium risk are often not eligible for supported accommodation but may still have support needs.

We have seen an increase in the number of people with particular needs requiring specialist supported accommodation living in temporary homeless accommodation. Lack of supply of this type of accommodation can increase the length of stay which has implications for homeless people and other service users. This is addressed further in Chapter 4 - Homelessness.

We have identified two residential care accommodation facilities that would benefit from being reprovisioned to provide a 'very-sheltered' model of support; Seabank House provides 24 hour residential care service for 19 people with mental health conditions and Wernham House that provides accommodation for 17 adults with substance misuse issues.

There is an ongoing need for smaller 'core and cluster' developments of supported housing providing one bedroom flats where people with a range of issues can be supported within the community.

In addition to the demands for appropriate housing, the national [Mental Health Strategy 2017 – 2027](#): a 10 year vision recommends mental health awareness training such as "first aid" in mental health is made available to all front line housing staff to enable them to feel confident in dealing with people with mental health problems. Housing staff can often be the first point of contact for vulnerable people and training is provided on an ongoing basis.

People with Learning Disabilities

The [Scottish Commission for Learning Disabilities Report 2015](#) shows the number of people with learning disabilities who are known to the local authority and is detailed in Figure 5.11.

Figure 5.11: People with Learning Disabilities Known to Aberdeen City Council

	Age Groups							Total
	16-17	18-20	21-34	35-44	45-54	55-64	65+	
Male	16	62	186	93	132	94	77	660
Female	5	28	112	52	89	88	77	451
Total	21	90	298	145	221	182	154	1,111

Source: [Scottish Commission for Learning Disabilities \(2016\)](#)

The report shows that the majority of people with a learning disability live in mainstream accommodation (42%) supported accommodation (25%) and registered adult care homes (15%), as shown in Figure 5.12.

Figure 5.12: Accommodation by Type Used by People with Learning Disabilities

Accommodation Type	Number of People
Mainstream accommodation with support	157
Mainstream accommodation - no support	149
Mainstream accommodation support status not known	164
Supported accommodation	277
Registered Adult Care Home	168
Other setting	111
Living arrangements not known	85
Total	1,111

Source: [Scottish Commission for Learning Disabilities \(2016\)](#)

The demand for learning disability services continues to increase as people live longer with more complex needs. In addition, there is a growing trend of young people moving into the service with complex and challenging health and social care needs. This increased and somewhat changing demand has led the service to start the development of a five year learning disability strategy in addition to mapping the current portfolio of service and accommodation models, allowing for evaluation of their suitability and sustainability to be fully considered. Housing is a key part of the strategy and any actions will be aligned to the local housing strategy.

[The Keys to Life \(2013\)](#) recommends that residential models of care should be viewed as a minority element of overall provision working with the most complex individuals. In 2013, social care commenced a programme to de-register a number of its learning disability care homes which now provide care at home and housing support services. This has given individuals security of tenure, and greater control over their support and how they live their lives.

The [Strategic Commissioning Implementation Plan 2017](#) has identified care provision for this client group including:

Standard care home services.
Nursing care home provision.
24-hour small volume services generally in mainstream housing type accommodation for 4 -6 individuals.
Single occupancy settings i.e. core and cluster provision within a close geographical area providing visiting support.

A key priority is to ensure that people with learning disabilities are supported in the right environment with the right level of support in relation to their needs. There is recognition that needs fluctuate and it is important to recognise the variety of service and housing models required to ensure this aim is achieved.

Aberdeen City's Health and Social Care Partnership is currently developing a tender for a two year framework contract for care at home and supported living services. The aim is to develop sustainable service and housing models for current and future demand.

Supporting Carers

[Aberdeen City Health and Social Care Partnership's Strategic Plan](#) identifies that support for carers is a key priority. The Carers (Scotland) Act 2016 includes the requirement to develop a Carers Strategy and to set out how the partnership will work with other agencies, including housing providers to commission services for carers. Locally, we will ensure that our policies support carers to enable them to continue in their caring role for as long as they choose to do so.

Young People

Research shows that care leavers have some of the poorest outcomes in society. They experience higher rates of early mortality, poorer access to continuing education and training, worse mental health and physical wellbeing, greater rates of teenage pregnancy, an increased likelihood of involvement in, or exposure to criminal activity and are at a greater risk of unemployment and homelessness. That said, poorer outcomes are not inevitable and there are many examples of young people who have made successful transitions to their own accommodation, and many who move successfully into the world of work.

The Children and Young People (Scotland) Act 2014 placed new duties on local authorities in terms of their Corporate Parenting responsibilities for looked after children and young people and care leavers. The [Council's Corporate Parenting Policy](#) makes a commitment to ensure that the needs of children and young people are at the centre of decisions made around housing and any housing support offered to families. A joint working protocol was agreed between our housing and children's social work services in April 2011. This protocol is currently being reviewed and there is ongoing work to establish a Housing First approach to improve the outcomes for looked after children following their transition from care.

Ethnic Minority Groups

Ethnic Minority refers to ethnic groups who are in the minority. In Scotland this would also include European minorities such as Polish, Irish, English and Gypsy/Travellers as well as non-European ethnic groups such as Indian, Pakistani, African etc. The term would also include refugees and asylum seekers.

The Equality Act 2010 provides the legislative framework which protects people who are recognised as a distinct ethnic group from being discriminated against on the grounds of ethnicity.

The [2011 Census](#) is the most comprehensive source of information on ethnicity. Figure 5.13 shows that 167,727 (75.3%) people identify as 'white-Scottish' which is below the Scottish average of 84%. The data also show a higher proportion of 'white-Polish' (3.2%) in Aberdeen compared to the Scottish average of 1.2%. Similarly a higher proportion (4.3%) identify as 'African', which is significantly above the Scottish average of 2.7%. It is likely Aberdeen has a diverse population due to the oil industry and further education opportunities.

Figure 5.13: Ethnic Groups in Aberdeen, 2011 Census

Ethnic Group	Aberdeen		Scotland	
	Number	Percentage	Number	Percentage
White - Scottish	167,727	75.3%	4,445,678	84.0%
White - Other British	16,910	7.6%	417,109	7.9%
White - Irish	2,213	1.0%	54,090	1.0%
White - Polish	7,031	3.2%	61,201	1.2%
White - Other	10,555	4.7%	102,117	1.9%
Asian, (including Asian Scottish or Asian British)	9,519	4.3%	140,678	2.7%
African, (including African Scottish, African British or Other African)	5,042	2.3%	29,638	0.6%
Caribbean or Black (including Caribbean, Caribbean Scottish, Caribbean British, Black, Black Scottish, or Black British, Other Caribbean or Black)	588	0.3%	6,540	0.1%
Other ethnic group	3,208	1.4%	35,352	0.7%
All people	222,793	100%	5,295,403	100%

Source: [National Records of Scotland \(2017\)](#)

Migrant Workers

Statistical information on [National Insurance Number \(NINo\) allocations](#) to migrant workers is available from the Department for Work and Pensions (DWP) and provides an indication of the inflow of overseas migrants to Aberdeen.

In 2015/16, there were 4,909 NINo registrations in Aberdeen, 15% (871) lower than the previous year and a higher decline than other major cities as shown in Figures 5.14 and 5.15. This decline continued in 2016/17 with the number of registrations dropping to 3,805.

Figure 5.14: NINo Registrations to Overseas Migrants

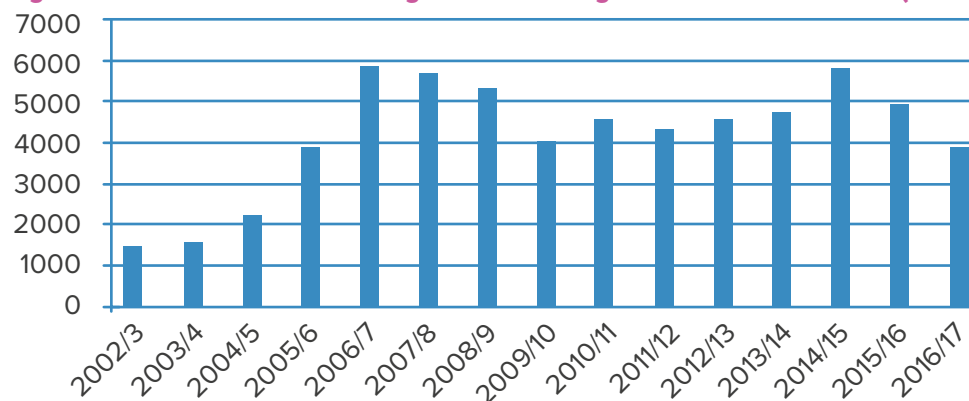
	2014/15	2015/16	Change	Percentage
Aberdeen	5,780	4,909	-871	-15%
Edinburgh	12,009	11,770	-239	-2%
Glasgow	9,200	9,076	-124	-1%
Dundee	1,314	1,352	+38	+3%
Scotland	46,288	46,149	-139	-0.3%

Source: [Department for Work and Pensions \(2017\)](#)

Between 2002/03 and 2015/16, 59,971 migrant workers were allocated a National Insurance number in Aberdeen⁷. This shows the sharp increase in net in-migration that occurred subsequent to the 2004 enlargement of the European Union (EU) following the accession of A8 and A2 countries⁸ to the EU.

It should be noted that whilst the National Insurance Number registration statistics are helpful in giving the current location of applicants, they cannot tell us if people then move to a different area once the number has been issued.

Figure 5.15: National Insurance Registrations to Migrant Workers 2002-2017 (Financial Years)



Source: [Department for Work and Pensions \(2016\)](#)

⁷ Migrant Workers in Aberdeen City, Research and Information Team, Aberdeen City Council (April 2017)

⁸ A8 = Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Slovakia and Slovenia. A2 = Bulgaria and Romania.

The [Social Support and Migration in Scotland \(SSAMIS\) interim report](#) published in January 2016 explores the experiences of migration and settlement amongst migrants from Central and Eastern Europe (CEE) living in Scotland. A number of key themes emerged during the research:

- Informal networks of family/friends play a highly significant role in the migration process.
- Job opportunities and earnings are commonly cited as a reason for migration.
- Migrants are typically clustered in low skilled/low paid employment.
- Finding affordable and flexible childcare is an issue.
- Migrants expressed mixed opinions about social housing and some prefer to rent privately.
- General lack of knowledge in relation to rights and responsibilities as a private rented sector tenant.
- Reports of renting poor quality housing in private rented sector.
- Increase in number of tenants in financial difficulties linked to the downturn in oil industry who have no recourse to public funds.

Partners involved in the production of this strategy also spoke of issues for local migrant workers relating to:

- General lack of knowledge in relation to rights and responsibilities as a private rented sector tenant.
- Increase in number of tenants in financial difficulties linked to the downturn in oil industry who have no recourse to public funds.
- Reports of renting poor quality housing in private rented sector.

In order to address this we will provide information and advice to private landlords and tenants to help improve awareness of their rights and responsibilities. We will also work with private landlords and letting agents to improve management standards and improve property conditions. This will be addressed further in Chapter 6 - Private Rented Sector.

Refugees & Asylum Seeker Resettlement

Scotland has a long history of welcoming refugees and asylum seekers from all over the world. [The Scottish Government New Scots: integrating refugees in Scotland's communities 2014-2017 report](#) set out the importance of housing's role in providing information on housing options, access to accommodation and support.

Refugees in the UK are granted protection on one of the legal grounds which entitle them to different types of status and leave to remain. The three main categories of legal status are:

- Refugee status.
- Humanitarian protection.
- Discretionary leave to remain.

Each status differs slightly in its legal basis and specific rights associated with it, however, most of the individuals with these statuses hold the same legal rights to housing. The needs of this group of people has been considered throughout the development of our local housing strategy.

Syrian Resettlement Programme

The council is participating in the [UK Home Office's Syrian Resettlement Programme](#) and has agreed to accept a 5% share (100) of the estimated 2,000 refugees expected to come to Scotland. Since March 2016 the council has welcomed 20 households (88 people) from Syria and aims to resettle a further 12 individuals to meet the city's commitment of 100 Syrian refugees.

The council is continuing to work with services across the public and voluntary sectors to support new families and sustain tenancies. Some families have been in Aberdeen for over a year now and housing support provided by the Refugee Project Team is gradually being phased out and mainstreamed with the help of the community.

Work is ongoing to overcome:

Language barriers.

Access to affordable housing.

Finding properties that are large enough to accommodate large and growing families.

Access to ground floor accessible properties to meet medical needs.

Transition arrangement from private sector leasing to mainstream housing.

Asylum Seekers

Aberdeen is not part of the voluntary asylum dispersal scheme; however, discussion is ongoing at Scottish and UK Government level regarding the Unaccompanied Asylum Seeking Children and Vulnerable Children's Resettlement Schemes. Housing need cannot be determined until further information is available but could include a range of supported housing, hostel and HMO-type accommodation.

Asylum dispersal and refugees are intricately linked. As there is no asylum dispersal in Aberdeen, we believe there are very few refugees in the area. This information is not collected via our housing allocations system so we do not have exact data, however, refugees essentially have the same entitlements as any other citizen so they receive exactly the same level of service that anyone else who approaches the council seeking assistance receives.

Gypsy/Travellers

The term Gypsy/Traveller refers to distinct groups such as Romany Gypsies, Scottish and Irish Travellers who regard the travelling lifestyle as being part of their ethnic identity and are recognised as an ethnic group. Gypsy/Travellers have been in Scotland for many centuries and still retain their own cultures and customs.

The lack of suitable secure accommodation underpins many of the inequalities that may be experienced. It often leads to Gypsy/Travellers using public and private land to set up unauthorised encampments which sometimes creates tensions between Gypsy/Travellers and the settled community. Establishing new permanent and transit sites can help alleviate some of the problems that Gypsy/Travellers face.

Travelling Person Site

Aberdeen City Council provides one travelling person's site at Clinterty which has 21 pitches; 17 permanent and 4 short term pitches. The pitches and chalets have been assessed to ensure that they meet minimum site standards issued by Scottish Government. Currently there are no other sites provided by Aberdeen City Council but there is a private site in Dyce that is owned by Travellers which has 8 plots.

Due to the lack of halting sites and Clinterty being permanently full, there is a continuing issue of unauthorised encampments within Aberdeen.

Figure 5.16 below shows the number of unauthorised encampments since 2012

Year	Number of Encampments on Private Land	Number of Encampments on Council Land
2012	36	21
2013	38	43
2014	30	20
2015	9	19
2016	27	19
2017	16	10

Source: Aberdeen City Council (2017)

In order to address this, the [Local Development Plan 2017](#) has identified sites as part of the 25% affordable housing contribution offering opportunities to the north, west and south of the city. Grandhome, Newhills, and Loirston are considered most appropriate for on-site provision of smaller transit sites with a net area of approximately 0.5 hectares providing six pitches on each site. Provision at the remaining locations will take the form of a commuted sum (equivalent to 15 affordable units) as set out in the [Local Development Plan Supplementary Guidance](#).

Such sites would help to meet the accommodation needs of Gypsy/Travellers as identified in the [Craigforth Accommodation Study \(2009\)](#). Craigforth recommended providing a mix of small, family orientated sites as well as larger sites to accommodate Gypsy/Travellers who travel in varying sizes of groups. This should include a mix of fully serviced and stopover sites. Given the significant numbers of unauthorised encampments since the Craigforth report was published in 2009, this recommendation is unchanged but a new study is underway to identify if the needs of Gypsy/Travellers has changed.

Between 1 June and 31 July 2015, 24 Gypsy/Travellers in Aberdeen and Aberdeenshire, from 12 different groups of Gypsy/Travellers took part in a consultation exercise to assess the accommodation needs of the Travelling community. Results showed that 100% of all participants thought there should be an increase in site provision in both Aberdeen and Aberdeenshire. There was no clear preference on whether they are developed and managed privately or by the local authorities. A further Gypsy/Traveller survey was carried out in Autumn 2017. Results of this survey will be published in 2018 and actions will be incorporated into the North-East Inter-Agency Joint delivery Action Plan.

Travelling Showpeople

During the summer season travelling showpeople visit the city attending fairs and living in caravans on the fairground. There are no showpeople sites in Aberdeen and at present no demand for these facilities has been identified. However consideration will be given to meet future needs for appropriate sites should the requirement arise.

Key Indicators

A Health Inequalities Impact Assessment will be undertaken. The indicators and actions will be revised as required.

People are supported to live, as far as is reasonably practicable, independently at home or in a homely setting in their community.			
Indicator	Frequency & Source	Baseline	Target
Percentage of adults supported at home who agree that they are supported to live as independently as possible.	Biennial Health and care experience survey	82%	90%
Number and percentage of new build affordable properties developed as accessible for people with a particular need.	Annual SHIP	0 properties	15% of all new build stock
Provide better outcomes for people leaving hospital who have housing issues by reducing the number of people whose discharge is delayed because of housing related issues and/or reduce the length of housing related delays.	Annual NHS Grampian	4 delays 527 days (December 2017)	2 delays 200 days
Number of disabled adaptations carried out in: <ul style="list-style-type: none"> Private Sector properties Registered Social Landlords properties Local Authority properties 	Annual Aberdeen City Council Registered social landlords	2016/17 223 203* 1,219 *Figure includes both properties in Aberdeen City and Aberdeenshire Council boundaries.	2017/18 250 210* 1,300
Enable people to be supported in their own homes through the use of telecare by increasing the number of people receiving care in the home.	Annual Aberdeen City Council Aberdeen City Health and Social Care Partnership Bon Accord Care	5% 2602 (excluding sheltered housing) as at September 2017	2017/18 2,800

Strategic Outcome 4

“

Consumer knowledge, management standards and property condition is improved in the private rented sector.

”

Main Issues



The impact of the downturn in the oil and gas sector on the private rented sector.

Landlords and tenants lack of awareness of their rights and responsibilities.

Poor quality private rented sector housing.

HMO provision.

Key Actions



Provide information and advice to private landlords and tenants to help improve awareness of their rights and responsibilities.

Work with private landlords and letting agents to improve management standards in the private rented sector.

Work with private landlords and tenants to improve property condition in the private rented sector.

Introduction

This chapter details the council's approach to private rented sector housing across the city. The majority of housing in the city is private sector housing (77%) which includes both owner occupied and the private rented sector. Private rented housing accounts for 20% of all housing (20,034 properties).

Private renting is an increasingly important housing option for many people in Scotland at different points in their lives. It is important that tenants who rent privately live in good quality and well managed homes. It is equally important that both landlords and tenants are fully aware of their rights and responsibilities.

The partners involved in the production of this strategy agreed that the issues affecting the private rented sector in Aberdeen are not particularly unique in that they tend to be the same issues that are encountered across Scotland. The main exception to this is the impact that the downturn in employment in the oil and gas sector has had on the demand for housing. This has resulted in a reduction in rents and an increased time to let properties.

All partners agreed that the downturn in the sector means there is a lot more competition in the private rented sector. This provides opportunities for landlords to ensure their properties stand out by improving the condition of their property. This is especially beneficial when there are a number of vacant properties in any one area at a given time.

Key actions have been identified to address some of the issues. Further detail on how the key actions will be achieved can be found in the the joint delivery action plan at Appendix 1.

National Context

Private Rented Sector Strategy

[A Place to Stay, A Place to Call Home: A Strategy for the Private Rented Sector in Scotland](#) is the Scottish Government's strategy which sets out its' vision and strategic aims for the private rented sector.

It aims to improve and grow the private rented sector by enabling a more effective regulatory system, targeting tougher enforcement action and attracting new investment.

The vision of the strategy is:

A private rented sector that provides good quality homes and high management standards, inspires consumer confidence, and encourages growth through attracting increased investment.

Source: Scottish Government (2017)

The strategy has three strategic aims:

- 1** to improve the quality of property management, condition and service.
- 2** to deliver for tenants and landlords, meeting the needs of the people living in the sector; consumers seeking accommodation; and landlords committed to continuous improvement.
- 3** to enable growth, investment and help increase overall housing supply.

We have aligned our strategic outcome for the private rented sector with the Scottish Government's Private Rented Sector Strategy.

Local Context

Extent and Location of Private Rented Sector

According to the landlord registration database, in 2017, there were 19,438 registered landlords in Aberdeen with 23,034 properties.¹ As can be seen from Figure 6.1 on the right, these figures have steadily increased over the last five years from 12,644 landlords with 18,249 properties in 2012.

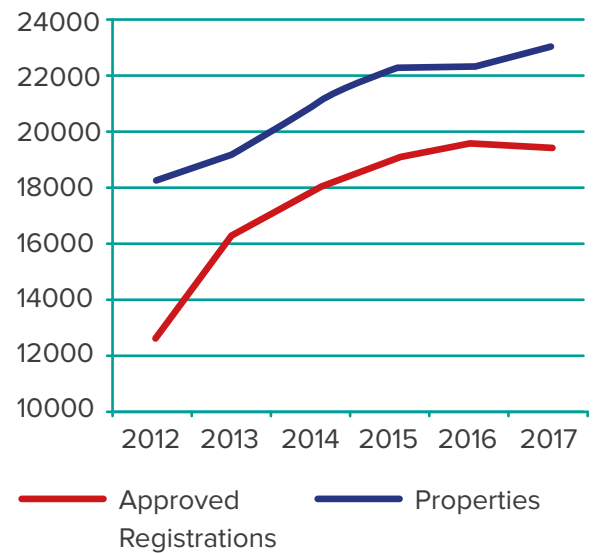
Whilst the number of registered landlords has increased each year, there are a small number of landlords who have ignored the legislation and have not registered or there are some who have allowed their registrations to expire. Aberdeen City Council investigates reports of all unregistered landlords and will take enforcement action against landlords who are continuing to operate.

Figure 6.2: Properties and Approved Registrations in Aberdeen 2012 - 2017

	2012	2013	2014	2015	2016	2017	Change 2012 - 17
Properties	18,249	19,160	20,949	22,252	22,312	23,034	4,785 (26.2%)
Approved Registrations	12,644	16,258	17,889	18,998	19,573	19,438	6,794 (53.7%)

Source: Aberdeen City Council (2017)

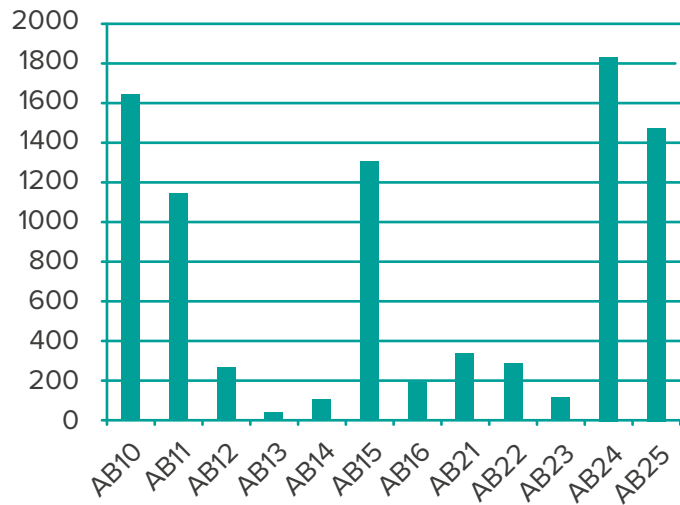
Figure 6.1: Properties and Approved Registrations in Aberdeen 2012 - 2017



¹ Where there are joint owners, the statistics shows them as having more than one property therefore the number of PRS properties in the city will be slightly inflated.

Figure 6.3: Private Rented Sector Properties

Figure 6.3 shows the number of private rented sector properties by postcode. As would be expected, the majority of properties are either in close proximity to the two main universities or are centrally located. Properties in the AB24 and AB25 are in close proximity to Aberdeen University, while AB10 properties are in close proximity to Robert Gordon University. Figure 6.4 shows a map of the postcode boundaries.



Source: Aberdeen City Council (2017)

Figure 6.3: Postcode Boundaries



Extent and Location of Houses of Multiple Occupation (HMO)

As at March 2017, there were 1,341 licensed HMO properties and a further 195 with a current application. If all applications were approved, then approximately 1.3% of the properties in the city would be licenced HMOs. This is a 57% increase from 855 in 2012.

Whilst the number licensed HMOs has increased each year, it is believed that there will still be a number of unlicensed HMOs. The council investigates all complaints regarding unlicensed HMO properties.

Figure 6.5 below shows that the majority of HMOs house between 3 and 5 people in standard sized properties with the larger HMOs generally being purpose built properties.

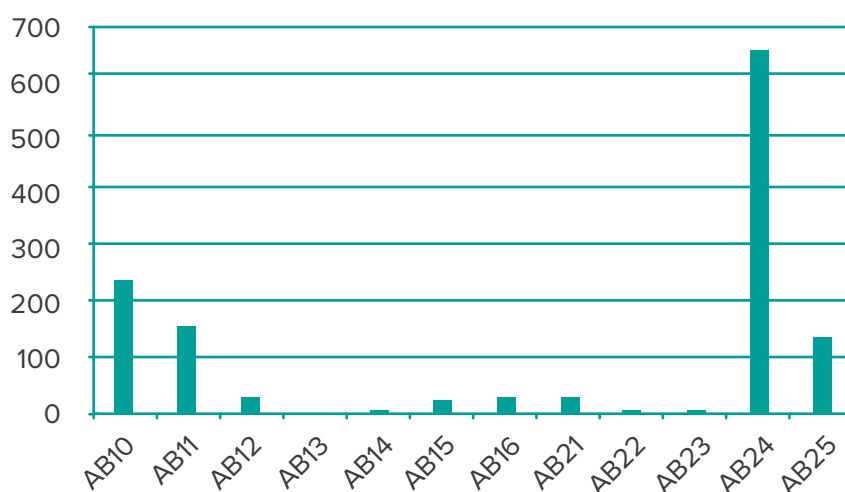
Figure 6.5: Number of HMOs by Number of Occupants in Aberdeen

Number of Occupants	Number of Licenses
3	587
4	404
5	238
6-10	75
11-20	7
21-100	15
100+	15
Total	1,341

Source: Aberdeen City Council (2017)

Figure 6.6 below shows the majority of HMO's are in AB24, with 662 properties having a HMO licence. This is to be expected as this postcode is closest to the University of Aberdeen. AB10 and AB11 have a total of 397 HMO properties combined. This is also expected due to properties in AB10 being of close proximity to Robert Gordon University and AB11 being of close proximity to the city centre. Other areas tend to have small numbers of HMOs which is likely due to them being further away from the universities.

Figure 6.6: HMO Properties by Postcode



Source: Aberdeen City Council (2017)

Local Issues

The partners agreed the main issues at a local level are:

1. The downturn in the oil and gas sector

The downturn in oil and gas sector has reduced the demand for properties and increased the time to let. (See supply of private rented housing below for more detail.)

2. Lack of awareness in rights and responsibilities

One of the main issues, which is similar to the rest of Scotland, is that not all landlords are fully aware of their rights and responsibilities. This can lead to properties failing to meet the Repairing Standard, incorrect tenancy management and even illegal evictions which can then in turn, impact on the number of homeless presentations made to the council.

Tenants too are not always aware of their rights and responsibilities which can lead to general lack of consumer knowledge and understanding as to what minimum standards can be expected.

3. Poor quality private rented housing

Private sector housing across the city has high levels of disrepair (79%) and as can be seen from Figure 6.7 below, data from the [Scottish House Condition Survey](#) suggests that disrepair in the private rented sector is even more extensive. 90% of privately rented housing is in disrepair with similarly high levels being reported across Scotland (82%).

Figure 6.7: Disrepair in Private Rented Sector

	Any (Basic) Disrepair		Disrepair to Critical Elements	Urgent Disrepair	Extensive Disrepair
	No Disrepair	Some Disrepair			
Aberdeen	10%	90%	67%	48%	-
Scotland	18%	82%	62%	42%	8%

Source: [Scottish House Condition Survey \(2013 - 2015\)](#)

Tenants who contact the council's private sector housing unit with complaints about the standard of repair are provided information and advice on the [Repairing Standard](#) and are given information on how to make an application to the [Housing and Property Chamber of the First-tier Tribunal](#).

4. HMO provision

Local authorities have the power to refuse to grant a HMO licence where it considers that there is overprovision in an area. Extensive work has been undertaken to consider HMO provision across the city which has involved public consultations.

In order to utilise this ground of refusal, a licensing authority must have a policy on overprovision in place which has regard to the relevant provisions of the Housing (Scotland) Act 2006.

Accordingly, the local authority must carry out an assessment of housing need in each locality. It is for the local authority to determine its localities as it sees fit. Section 131A Housing (Scotland) Act 2006 requires that the need for housing accommodation in the locality and the extent to which HMO accommodation is required to meet that need should be assessed at the same locality at which a threshold would be applied.

Whilst a housing need and demand assessment has been undertaken, this is at a city wide level, with the requirement here being for the assessment of need to be at the same geographic level as any proposed locality for which a policy would be introduced e.g. neighbourhood.

The requirement for a HMO overprovision policy is to assess housing need at a locality and a methodology for doing so has not been established. Further guidance on the extent to which HMO accommodation in particular is required to meet that need in certain neighbourhoods across the city. Currently it would be possible to demonstrate a general demand for HMO properties overall, but demand is not the same as need. It is difficult to envisage circumstances that would mean a HMO property would need to be in one particular locality as opposed to another. HMO properties respond to a market demand and their delivery location depends on the availability of property of an appropriate size and value which makes the delivery of a HMO viable.

In the absence of any reliable method of calculating such a need at the required level, the council's current position is that any policy established on the more general evidence available would therefore not satisfy all the legislative requirements of the Housing (Scotland) Act 2006.

After consideration Council agreed that it is not possible to suitably assess the need for HMOs in localities to an extent that would enable an overprovision policy to be properly formed under the Housing (Scotland) Act 2006 and an overprovision policy is not to be introduced at this time. HMO provision and student accommodation are however to be included within the main issues report for the next local development plan to facilitate mixed and balanced communities.



Supply of Private Rented Sector Housing

Demand for private rented housing across Scotland has increased. Ownership is not necessarily an option for all those who wish to buy because they may not be able to raise a sufficient deposit or meet stricter credit requirements stipulated by lenders.

There is also a section of society who do not wish to own because they enjoy the flexibility renting can bring which allows them to be part of the mobile workforce.

Over recent months there has consistently been more than 1,000 properties advertised to let across Aberdeen on [Citylets](#) with a significant increase in the time it takes for the property to be let and at reduced rents. A [build to rent](#) development in Aberdeen which was created as a solution to the shortfall of high quality private sector properties available to rent, has experienced similar issues. This is in direct contrast with the position a few years ago when letting agents had intense marketing campaigns seeking additional properties to meet demand. This would suggest there are not currently any issues with an under-supply of private rented housing in Aberdeen.

The council supports the private rented sector as a tenure of choice but notes the following:

- The purchase of properties to rent is a business decision made by individuals or companies which the council has little influence over.
- Many private landlords invest in the cheaper end of the market which in turn adds pressure on first time buyers who may be looking to enter the market at this level.
- Most landlords have small portfolios of only one or two properties.
- Some people become landlords because they choose not to sell a property at that particular point in time.
- The private rented sector in Aberdeen is not as buoyant as has been previously. Rents have fallen from their peak in 2014 with an increased time to let, therefore it may be less financially viable for some landlords wishing to invest in the sector.
- Build to rent² is part of Scottish Government policy and is supported by the planning system³.

Key Workers

Local employers previously highlighted there was an issue in attracting people to relocate to Aberdeen to carry out key worker roles, with the affordability and availability of housing being cited as one of the main reasons.

Another reason relates to pay; public sector workers are generally paid the same across the country. Aberdeen generally has a higher cost of living than other parts of the country which is not reflected in national pay structures. Key workers can therefore expect a higher standard of living in parts of the country that have a lower cost of living which makes recruitment and retainment of key workers to this area more difficult.

² Build to Rent is form of housing delivery that offers purpose-built accommodation for rent within high-quality, professionally managed developments.

³ Planning Delivery Advice: [Build to Rent](#). [Scottish Government, 2017](#)

In response to this a number of initiatives have been undertaken:

1. In 2015 a council owned block of 58 flats was let to three organisations to assist in recruiting and retaining key workers such as teachers and police officers. The initiative started well but the changes to the local housing market with greater availability of property and lower costs led to a review of the development. Subsequently, committee approved a recommendation to allocate vacant flats to applicants on the council's waiting list and qualifying key workers.
2. Sanctuary Housing are developing 124 affordable homes for key workers. The properties will be available to local teachers, medical staff and other key workers for mid-market rent when completed in March 2018. Demand has been slow therefore they are currently open to all applicants (subject to specified criteria) with key workers being prioritised.
3. Grampian Housing Association are also to build 101 properties close to the hospital which will be targeted at key workers.

When these initiatives were planned, the rents in Aberdeen were some of the highest in Scotland with properties being re-let very quickly. This meant that accessing housing that was affordable was difficult. However, the housing market has now changed; rents are lower, demand for properties has reduced and there is an increased time to let properties. The delivery of key worker and mid market housing will be monitored to ensure that we can respond to any changes in the market.

Student Accommodation

Between 2012 and November 2017 planning consents were issued by the council for 21 student housing developments with 4,349 beds. Significant new supply has been delivered into this segment of the market with further developments under construction and in the planning process across the city. The student accommodation sector is therefore well served by market delivery.

Regulation

Landlord Registration

All landlords in Scotland are required to register with the local authority in which they rent out properties. As part of this process, all applications are assessed to determine if the applicant is a "fit and proper" person to act as a landlord. The fit and proper person test involves all new and renewal applications being checked by Police Scotland in relation to criminal convictions and involves an assessment of their suitability to act as a landlord. Any concerns that Police Scotland may have regarding the application are reported to the council's Licensing Committee who will determine whether the applicant is a 'fit & proper' person and therefore whether the application should be approved.

Where information is received which suggests that a registered landlord may not be a "fit and proper" person, the information is investigated and where necessary, a report is submitted to the Licensing Committee where their registration may be revoked.

HMO Licensing

Mandatory HMO licensing applies to houses or flats occupied by three or more unrelated people as their only or main residence who share bathroom or kitchen facilities. Licensing helps ensure that accommodation is safe, well managed and of good quality.

Before granting a licence we must be satisfied that:

- The owner and any manager of the property is 'fit and proper' to hold a licence.
- The property meets required physical standards.
- The property is suitable for use as an HMO (or could be made so by including conditions in the licence).

Aberdeen City Council works in partnership with the Scottish Fire & Rescue Service (SFRS) and a licence will not be granted until SFRS has confirmed that the property is fire-safe. In addition, we report HMO applications to the Licensing Committee in certain circumstances which may include situations where Police Scotland has concerns about the applicant or agent, letters of representation have been received or upgrading works have not been carried out within the specified timescales.

It is a criminal offence to operate a HMO without a licence. The maximum fine is £50,000. The Licensing Committee has a range of other enforcement options, including the power to vary the terms of a licence or revoke it.

Letting Agent Regulation

A new regulatory framework for letting agents is being introduced. This includes compulsory registration, a statutory Code of Practice with a means of redress to the Housing and Property Chamber along with powers for monitoring compliance and effective enforcement. These measures will give landlords and tenants confidence in the standard of service they should expect and the means to challenge poor practice where it occurs.

Letting agents will be required to join a mandatory register of letting agents to undertake letting agency work. To be accepted on to the register, those in charge of the business must be assessed as fit and proper with key individuals within the company meeting a minimum level of training.

The Scottish Government has published a guide to letting agent registration as a means of support to letting agents so they can understand what the requirements mean for their business and what they need to do before they can register. The register is likely to start accepting applications from early in 2018. Agents must have submitted an application by 30 September 2018.

The Scottish Parliament approved the first [Letting Agent Code of Practice](#) in February 2016 and it came into force on 31st January 2018. The Code makes clear the standards of practice those carrying out letting agency work must meet.

The Code will help to make sure good standards of practice are consistently applied across the letting industry and will provide tenants and landlords with an effective way to challenge poor practice. The Code also includes a requirement for letting agents to hold professional indemnity insurance and to hold client money protection.

The Scottish Government will have responsibility for letting agent registration.

Management Standards in the Private Rented Sector

There are various pieces of legislation or services available to help improve the standards in the private rented sector with further legislation due to be implemented in coming months.

Landlord Accreditation Scotland

[Landlord Accreditation Scotland](#) (LAS) is the national accreditation scheme for Scottish landlords & letting agents, promoting best practice in the private rented sector by offering training and education across the country.

LAS is a voluntary scheme set up to promote and support letting agents & landlords in Scotland by accrediting their property management skills.

The scheme is open to all Scottish letting agents and landlords wishing to have their professionalism recognised and who wish to demonstrate to clients and tenants their commitment to delivering the highest standards within their profession.

LAS work in partnership with local authorities across Scotland to maximise contact with Scottish letting agents and landlords. Local authorities recognise that those who have chosen to meet accreditation standards are those providing the best service for tenants in that area.

In partnership with LAS and Aberdeenshire Council we provide access to landlord training in all aspects of managing residential property in Scotland. Training courses are held across the year and are available to all landlords to attend. The aim of the training courses is to improve standards across the sector.

Private Housing (Tenancies) Scotland Act 2016

The Private Housing (Tenancies) (Scotland) Act 2016 introduced a new private residential tenancy for all new lets in the private rented sector from 1st December 2017. The purpose of the new tenancy is to improve security and stability for tenants balanced with safeguards for landlords, lenders and investors. The key features are:

- A more streamlined system with no confusing pre-tenancy notices, an easier-to-understand model tenancy agreement and a simplified eviction notice.
- A modern open-ended tenancy where landlords cannot evict a tenant simply because their tenancy agreement has reached its end date.
- Landlords will be required to use one of the 18 new grounds for repossession which offer a modernised process for regaining possession in all reasonable circumstances.
- Rents can only be reviewed once in a 12 month period (with 3 months' advance notice). Tenants will also be able to refer perceived unreasonable rent increases for adjudication to protect them from unfair rent rises (which takes their rent beyond the market rate for other comparable properties).

Condition of Private Rented Sector Housing

Repairing Standard

A privately rented property must meet the [Repairing Standard](#) as follows:

- The property must be wind and water tight and in all other respects reasonably fit for people to live in.
- The structure and exterior (including drains, gutters and external pipes) must be in a reasonable state of repair and in proper working order.
- Installations for supplying water, gas and electricity and for sanitation, space heating and heating water must be in a reasonable state of repair and in proper working order.
- Any fixtures, fittings and appliances that the landlord provides under the tenancy must be in a reasonable state of repair and in proper working order.
- Any furnishings that the landlord provides under the tenancy must be capable of being used safely for the purpose for which they are designed.
- The property must have a satisfactory way of detecting fires and for giving warning in the event of a fire or suspected fire.
- The property must have satisfactory provision for giving warning if carbon monoxide is present in a concentration that is hazardous to health.

The standard details the legal and contractual obligations of private landlords to ensure that a property meets a minimum physical standard.

If, after a landlord has been notified of any problem, it is not resolved satisfactorily, or if there is disagreement about whether or not there is a problem, tenants have the right to refer the matter to the [Housing and Property Chamber⁴](#) (HPC) for help with dispute resolution.

All tenants who contact the private sector housing unit regarding their landlord's failure to carry out repairs are provided with information and advice on how to report the matter to the HPC.

Third Party Applications to the Housing & Property Chamber (HPC)

The HPC has the power to accept applications from a third party, specifically the local authority, to determine whether or not a private rented property met the repairing standard.

A policy is being developed by Aberdeen City Council on when and how it will make third party referrals to the HPC and will be implemented in 2018.

⁴The HPC has replaced the functions of the former Private Rented Housing Panel (PRHP) and Homeowner Housing Panel (HOHP). The HPC will also start to hear more private rented sector cases from December 2017 including the new letting agents' regime, transfer of jurisdiction from the sheriff courts and new private tenancies.

Key Actions

As part of our private rented sector strategy to address the condition and standards of the sector we intend to:

1	Submit third party applications to the Housing and Property Chamber where landlords have failed to carry out repairs.
2	Produce a leaflet that details rights and responsibilities in relation to all aspects of private rented sector which will include information relating to property condition and management standards.
3	Send emails to all landlords on our database when there are changes in legislation that affect property condition and management standards.
4	Hold annual information sessions for landlords which will provide information regarding property condition of private rented housing.
5	Continue to provide advice and support to private tenants via the council's Housing Access Service to help to sustain tenancies.

Actions have been developed to improve standards in the private rented sector. Where landlords do not meet their statutory requirements and refuse to engage with the private sector housing team, we will work with our partners to improve standards in the private rented sector.

Further detail on key actions can be found in the Joint Delivery Action Plan at Appendix 1.

Key Indicators

A Health Inequalities Impact Assessment will be undertaken. The indicators and actions will be revised as required.

Improve consumer knowledge, management standards and property condition in the private rented sector.			
Indicator	Frequency & Source	Baseline	Target
Number of PRS properties in disrepair.	Annual Scottish House Condition Survey	90% 2013-2015	Reduce
Landlord Accreditation Scotland training courses.	Landlord Accreditation Scotland Annual	10	10
Third party referrals to Housing & Property Chamber.	Housing and Property Chamber Annual	0	3

Strategic Outcome 5

“

Fuel poverty is reduced which contributes to meeting climate change targets.

”

Main Issues



28% or 29,400 households in Aberdeen live in fuel poverty, with 9% or 9,000 households living in extreme fuel poverty.

Poor energy performance of housing coupled with hard to treat/expensive to treat housing stock.

The cost of energy is unaffordable for some people.

Welfare reform is not yet fully implemented and its impact on fuel poverty is still unknown.

There is a lack of awareness of the opportunities and potential benefits of cost-effective energy use in the home.

Fuel poverty impacts on a person's physical and mental wellbeing.

Key Actions



Improve energy efficiency of housing across all tenures.

Work with residents to help them obtain the best price for heat and power.

Work with residents to maximise their income.

Work with residents to help them use their energy in the most efficient manner.

Work with residents to encourage a reduction in their carbon footprint.

Work with other agencies and partners, including the Health and Social Care Partnership to deliver the key actions in relation to fuel poverty.

Raise awareness of the issues relating to fuel poverty across all sectors.

Introduction

This chapter sets out the council's approach to tackling fuel poverty across Aberdeen. It also details how this work contributes to meeting energy and climate change targets.

What is fuel poverty?

“A household is in fuel poverty if, in order to maintain a satisfactory heating regime, it would be required to spend more than 10% of its income on all household fuel use. If over 20% of income is required, then this is termed as being in extreme fuel poverty.”

The impact of fuel poverty on society should not be under-estimated; the negative impact of fuel poverty on physical and mental health and wellbeing is well documented. The most common physical health impacts experienced by those living in cold homes are respiratory and circulatory illnesses.

Typically there are around 2,000 unnecessary winter deaths in Scotland and poor living conditions are a major contributing factor. A warm homes scheme in Northern Ireland was estimated to save the NHS £0.42 for every £1 spent on reducing fuel poverty.¹

National Priorities and Targets

In 2002, the Scottish Government made a commitment to eradicate fuel poverty by November 2016. We have now reached the end of the Scottish Government commitment and the approach taken to eradicate fuel poverty has not achieved the desired outcomes. It was agreed that the issues around fuel poverty, and how to alleviate it, needs to be re-assessed.

Therefore in 2015, the Scottish Government established two short-life, expert groups to provide advice and make recommendations on tackling fuel poverty; the [Scottish Fuel Poverty Strategic Working Group](#) and the [Scottish Rural Fuel Poverty Task Force](#).

The Scottish Government has recently published a [consultation](#) paper on a new, long-term fuel poverty strategy, including proposals for a new overarching target.

This strategy will feed into the development of a new [Warm Homes Bill](#), which is planned to be introduced in summer 2018.

Regardless of targets or definitions, the reality is that fuel poverty is a continuing problem both within the city and nationally. Many thousands of households in Aberdeen, live in cold homes which they cannot afford to adequately heat. The partners involved in the development of this strategy agree that everyone should be able to live in a warm and comfortable home.

The actions within this local housing strategy will be aligned, where appropriate, with the new fuel poverty strategy and any associated targets.

Key Drivers of Fuel Poverty

There are three outlined key drivers of fuel poverty: energy costs, household income and home energy performance. The Scottish Fuel Poverty Strategic Working Group in its recent [report](#), “A Scotland without fuel poverty is a fairer Scotland,” four steps to achieving sustainable, affordable, attainable warmth and energy use for all, suggests there is a fourth driver relating to how energy is used in the home.

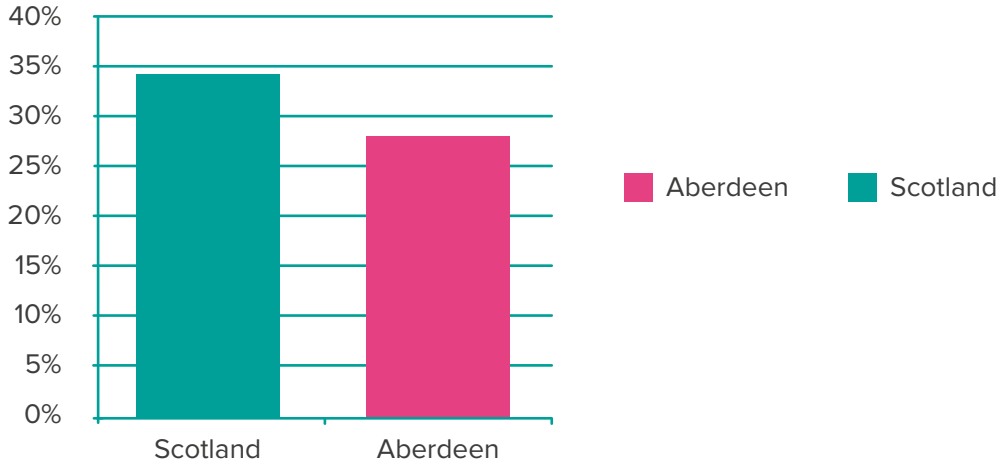
Under the current assessment of fuel poverty only the cost of fuel is considered under energy costs. Ongoing maintenance costs and the cost of replacing the heating system are also considerations along with the cost of fuel.

¹ Liddell, C. (2008) The Impact of Fuel Poverty on Children. London: Save the Children

Local Context

According to the latest figures from the [Scottish House Condition Survey](#), 28% or 29,000 households live in fuel poverty in Aberdeen with those living in rented accommodation being most at risk. This compares favourably against Scotland where 34% of households live in fuel poverty but this does not detract from the fact that fuel poverty remains a significant issue in Aberdeen.

Figure 7.1: Fuel Poverty Levels



Source: [Scottish House Condition Survey \(2013-2015\)](#)

Figure 7.2 shows fuel poverty levels by householder type, in Aberdeen and nationally. The published figures indicate that national trends are followed in the city, and that Aberdeen has slightly lower levels of fuel poverty than the national average.

Figure 7.2: Fuel Poverty by Household Type



Source: [Scottish House Condition Survey \(2013-2015\)](#)

Extreme fuel poverty

Of the 29,000 households who are living in fuel poverty, 9,000 households are living in extreme fuel poverty. As can be seen from Figure 7.3, extreme fuel poverty is higher in Aberdeen than the national average for householder living in the social and private rented sectors.

Percentage of households living in extreme fuel poverty



Source: [Scottish House Condition Survey \(2013-2015\)](#)

Housing characteristics in Aberdeen

The largest area of heat loss in the home is typically through the walls, followed by the roof. Wall insulation and loft insulation can reduce heat loss by over 50%. Wall insulation is relatively straightforward if walls are of cavity construction and the dwelling is a house. Blocks of flats, solid wall constructed properties and traditional housing typically built pre-1930, are often referred to as “hard to heat/hard to treat” properties. These are homes that, due to their construction type, often cannot have the simpler energy efficiency measures installed such as loft or cavity wall insulation.

In Aberdeen there are large numbers of “hard to heat/hard to treat” properties. Over half the dwellings in the city are flatted (54%), many of which are mixed tenure. This provides challenges when looking to improve the energy efficiency of the buildings as all the co-owners of a block of flats need to agree to energy efficiency improvement works, and all are liable for a share of the cost of the work.

Insulation

Solid wall insulation, whether internal or external, can be a complex process to install. It is also expensive and very disruptive to the householder, particularly in housing built before 1930. This includes nearly all traditional granite housing, where maintaining the integrity of the dwellings can be challenging and technical solutions are more limited.

Loft insulation is usually a quick and easy way to thermally improve a dwelling, the exception being dwellings which have rooms in the roof (dormer windows), which present a similar challenge to solid wall insulation in order to insulate adequately.

Heating

All urban and suburban areas of the city have access to the gas network and gas central heating is by far the most common heating. Electric is believed to be the next most common heating system, with very few other fossil fuel types or renewable heating systems.

In Aberdeen there is a [Combined Heat and Power](#) (CHP) District Heating Network, which supplies heat to over 2,350 dwellings providing low cost low carbon heating.

Under-occupancy

Under occupancy can also contribute to fuel poverty. According to the [Scottish House Condition Survey](#), 17% of all dwellings in Aberdeen are under-occupied which may result in owners not adequately heating or partially heating their property in order to reduce fuel bills.

Root causes of fuel poverty in Aberdeen

Home Energy Performance

Energy efficiency of housing is measured using a methodology known as the Standard Assessment Procedure² (SAP). SAP will provide a score of 1-100 on the energy performance of a dwelling. These scores are grouped into seven bandings between A-G, (similar to white goods and cars) with A being the most efficient (92-100) and G the least efficient (0-20). These ratings can be found on dwellings' Energy Performance Certificate (EPC). Legislation requires an EPC to be produced for all homes offered for rent and marketed for sale.

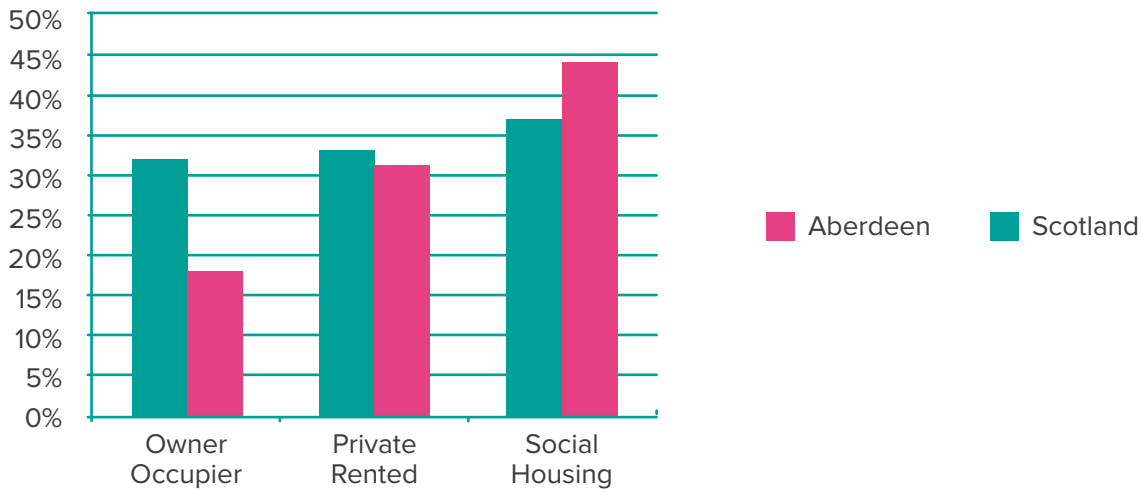
According to the [Scottish House Condition Survey](#), the average SAP rating of all housing in Aberdeen has risen from 62.1 in 2003-2005 to 65 in 2013-2015, which is in line with the Scottish average. This improvement in ratings, whilst partly due to the increased numbers of new build housing (additional 6,000 properties which have improved energy performance), also demonstrates success in improving the energy efficiency of existing dwellings. However, despite these improvements on home energy performance, fuel poverty continues to rise.

The vast majority of social housing in Aberdeen meets the minimum requirements of [Energy Efficiency Standard for Social Housing](#)³ but as can be seen in Figure 7.4 below, fuel poverty levels in social housing are significantly higher than the private sector. 44% of households live in fuel poverty in the social sector compared to 31% in the private rented sector and 18% of owner occupiers. These figures underline the fact that meeting minimum energy standards alone will not eradicate fuel poverty.

² Standard Assessment Procedure (SAP) is the methodology used by the Government to assess and compare the energy and environmental performance of dwellings.

³ The Energy Efficiency Standard for Social Housing (EESH) aims to improve the energy efficiency of social housing in Scotland.

Figure 7.4: Fuel Poverty by Tenure



Source: [Scottish House Condition Survey \(2013-2015\)](#)

We therefore need to consider the other key drivers of fuel poverty such as the cost of energy and household income.

Energy Costs

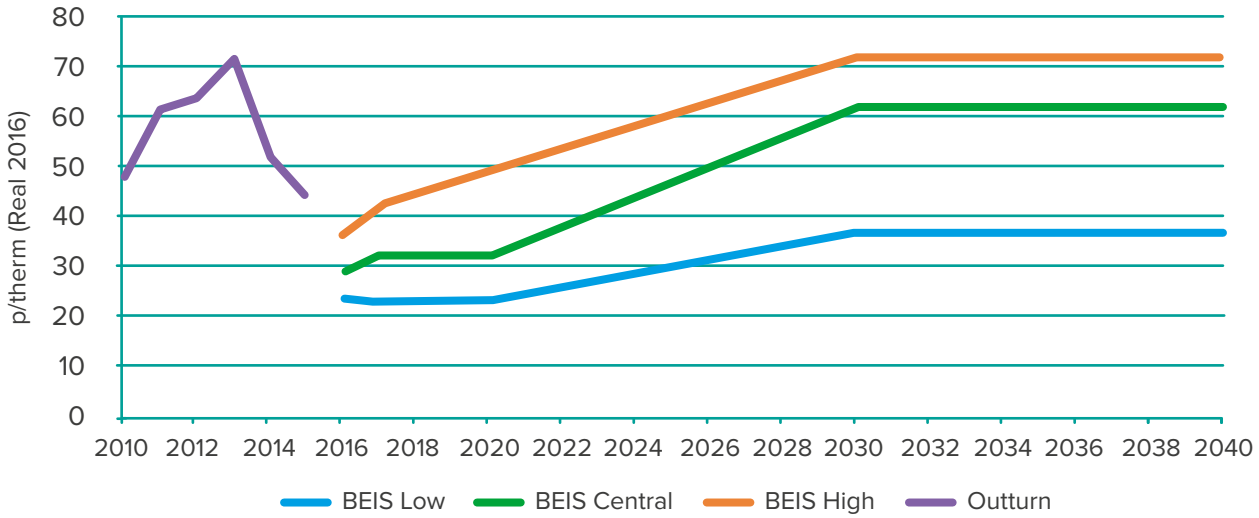
Fuel prices have almost trebled since fuel poverty targets were introduced by the Scottish Government. Rising fuel prices have negated the anticipated impact of energy efficiency improvements on eradicating fuel poverty. The increase in fuel poverty has broadly mirrored the growth in fuel prices.

Of the traditional common methods of heating homes, mains gas has typically been the lowest cost for heating homes. However at the moment, the lifetime heating costs are not considered when determining fuel poverty, and when these costs (maintenance, safety checks and system lifetime) are considered, gas may not always be the best value, particularly in homes with low heat demand.



While it is impossible to confidently predict future pricing, forecast figures provided by Department for Business Energy and Industrial Strategy⁴ indicate the price of gas is to rise significantly in the short to medium term.

Figure 7.5: Natural Gas Price Assumptions 2016



Source: Department for Business, Energy and Industrial Strategy (2016)

Household Income

Figure 7.6 shows average annual cost of providing heat and hot water to a typical sized 3-bedroom house, one with gas heating and one with electric storage heating. The cost for gas was increasing until 2015 when prices fell substantially, however costs have increased this year mainly due to the industry stabilising. According to the [International Energy Agency](#), it is likely that the low price has now bottomed out and prices are likely to rise again. A recent [report](#) by the Bank of Scotland states that the industry was more confident and there was evidence that many companies were planning for growth.

Figure 7.6: Space and Water Heating Costs (average 3 bedroom house)

Heating Type	Oct-12	Oct-13	Oct-14	Oct-15	Oct-16	Oct-17
Gas Fired Boiler	£1,255	£1,403	£1,446	£1,266	£1,191	£1,252
Storage Heaters	£1,663	£1,7480	£2,0380	£2,038	£2,038	£2,260

Source: Sutherland (2017)

The annual gross mean and median annual income in Aberdeen is £35,083 and £29,249 respectively. Despite the recent downturn in the oil and gas sector, those who are in employment still have higher mean and median income when compared to the rest of Scotland which is £33,126 and £28,007. However Aberdeen is the most expensive city in Scotland⁵, so income won't stretch as far. Households on lower incomes in Aberdeen may face greater financial pressures than those with comparable incomes in other cities.

There are many households who are either unemployed, on state benefits or who have below average incomes. These people may struggle to pay for their energy costs, which is why it is important the council works with partners to reduce fuel poverty.

⁴ Formally Department for Energy and Climate Change

⁵ The 2016 Mercer Cost of Living Rankings places Aberdeen the 85th most expensive city in the world, the only Scottish City to appear in the top 100.

We also have a significant number of areas within the city that are designated as areas of multiple deprivation with 9 of Aberdeen's 283 data zones being among the most deprived in Scotland in the [Scottish Index of Multiple Deprivation \(SMID\) 2016](#).

Whilst the city has 9 data zones in the overall ranking of the most deprived 15% of the population, it also has a further 13 data zones in the most deprived 15-20%. The 22 Aberdeen City data zones in the most deprived 20% have a population of 18,055 which accounts for 7.9% of the city's total population.

Further, there are still significant numbers of low income households who are not receiving the financial support they are entitled to. According to the [Scottish Parliament Information Centre](#), more than £2bn in benefits are going unclaimed each year.

Those on benefits or with low incomes are less likely to pay for their fuel by direct debit and therefore fail to get the best price from their energy supplier.

Fuel poverty is often generally viewed as an issue for the housing sector to tackle, however, as with relative poverty it is an issue that needs to be considered by all council services, as well as public health services, communities, third sector agencies and all relevant partners and stakeholders.

In order to effectively tackle fuel poverty, there needs to be more emphasis on dealing with the causes other than energy efficiency, while still maintaining progress on improving the energy efficiency of our homes.

This will require a co-ordinated approach involving the financial inclusion sector, health and well-being services, local communities and the housing sectors. A strategic working group will be established to take forward these actions.

Links Between Fuel Poverty and Energy Efficiency

There are significant links between fuel poverty and the energy efficiency and characteristics of a dwelling. The less energy efficient a dwelling is, the more energy it will need to use to provide adequate warmth for the occupants, resulting in higher fuel bills, which will increase the risk of fuel poverty.

Figures published in the Scottish House Condition Survey publication 'Fuel Poverty Evidence Review' indicate that householders living in homes with lower energy ratings are much more likely to be fuel poor, than those living in homes with higher ratings.

When the Scottish Government made its commitment in 2002 to eradicate fuel poverty, energy efficiency was generally viewed as the priority element to target with the majority of fuel poverty schemes, both nationally and in Aberdeen, primarily focussing on improving the energy performance of a dwelling. The main external funding routes to tackle fuel poverty have been through Scottish Government funding or through obligations placed on fuel suppliers with a focus on delivering energy efficiency measures.

The limitations of this approach have been recognised with Warmer Homes Scotland⁶ and HEEPS: ABS⁷ schemes where they are now set up to include income maximisation and energy advice elements as a secondary measure to tackle the other factors of household income and energy costs.

In Aberdeen, we have services which target fuel poverty, energy efficiency and climate change. These have been in place for a number of years where project staff are encouraged to make referrals to income maximisation services.

⁶ Warmer Homes Scotland is a Scottish Government scheme to help vulnerable households make their homes warmer and cheaper to heat by installing a range of energy saving measures.

⁷ Home Energy Efficiency Programme Scotland; Area Based Scheme. Scottish Government funding given to councils to develop and deliver fuel poverty works in areas with high levels of fuel poverty.

As part of our contribution to meeting these national targets Aberdeen City Council has committed through our [Local Outcome Improvement Plan](#) to:

- reduce local carbon emissions per capita.
- increase the amount of energy produced from renewables.
- reduce the number of households living in fuel poverty.

It is important that we make changes in the way we live and work in order to reduce our carbon footprint. Therefore, the council is working with a range of stakeholders to develop initiatives to tackle climate change.

Links Between Fuel Poverty and Climate Change

The Scottish Government has set a national target to reduce greenhouse gas emissions by 42% by 2020 and by 80% by 2050. Any reductions in energy use through changes in behaviour or improved energy efficiency of housing will help to meet these targets.

The Scottish Government intends to introduce a new Climate Change Bill with even more ambitious targets. Proposals include setting targets based on actual emissions, increasing the 2050 target to 90% emissions reduction, and making provisions for a net-zero greenhouse gas emissions target to be set when a credible and costed pathway can be demonstrated.

The Climate Change (Scotland) Act 2009 places a number of public sector duties on the council to:

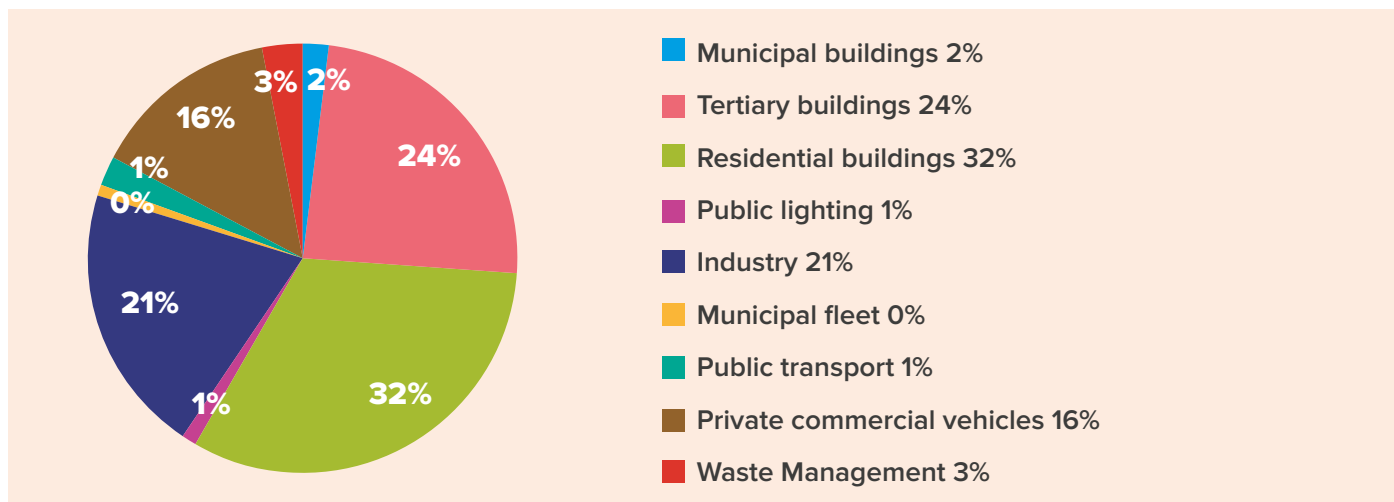
- Reduce greenhouse gas emissions.
- Put in place measures to adapt to a changing climate.
- Work in a sustainable way.
- Report annually on performance.

Actions and initiatives to date include:

- [Powering Aberdeen; the Sustainable Energy Action Plan](#) (SEAP) to reduce emissions and meet the requirements of the Covenant of Mayors.
- Adaptation Plan; Aberdeen, with support from Adaptation Scotland is working to build resilience to the climate challenges and opportunities for the area. The council is also a participant in the Adaptation Learning Exchange.
- Raising awareness in partnership with Aberdeen Climate Action through initiatives such as Earth Hour and Climate Week.

As Figure 7.7 below shows, in 2015, greenhouse gas emissions from housing accounted for 32% of Aberdeen’s total emissions. It is clear that housing contributes to climate change in a variety of ways including poor house condition, poor energy performance of housing and the way in which energy is used in the home. In order to address this, we will continue to take action to improve the quality of housing, which includes improving the energy efficiency of homes.

Figure 7.7: Breakdown of CO₂ emissions by sector



Source: [Department for Business, Energy & Industrial Strategy \(2017\)](#)

Actions to reduce carbon emissions can impact positively on fuel poverty. Thermal improvements in housing will reduce the volume of heat required to heat a house adequately, leading to reduced carbon emissions and fuel use, thus reducing costs. Advice on using energy in the home more effectively can reduce fuel consumption, which will result in lower bills and less carbon emissions. Providing advice and support to households will be a key action in delivering successful outcomes on fuel poverty, energy efficiency and carbon reduction.

It is recognised that there will be instances where improved energy efficiency will not result in carbon savings, as before and after energy usage may not be like for like. Fuel poor households may take energy efficiency savings in ‘comfort’ rather than cost saving, where the savings are used to help provide more adequate warmth, rather than reduce costs.

It is clear from Figure 7.8 below that progress has been made with regards to reductions in emissions from housing. Fuel poverty and climate change are inextricably linked, particularly in terms of the carbon footprint left by individual properties and the effect this has on emissions produced across the city. Therefore, energy efficiency of housing is key to tackling fuel poverty and addressing climate change.

Figure 7.8: Carbon Emissions in the Domestic Sector (Aberdeen)

Year	Kilotons of Carbon Dioxide (CO ₂)
2012	528
2013	506
2014	423
2015	406

Source: [Aberdeen City Council \(2017\)](#)

Private Sector Housing

We have various schemes and projects available to homeowners and private sector tenants which demonstrates our commitment to addressing fuel poverty across all tenures.

Regulation of Energy Efficiency of Private Sector Housing (REEPS)

Regulation is one of the key elements of the on-going development of Scotland's Energy Efficiency Programme which, when implemented, should help improve the energy performance of private sector housing.

In summer 2017, the Scottish Government published a [consultation](#) on Energy Efficiency and Condition Standards in Private Rented Housing: A Scotland's Energy Efficiency Programme Consultation.

The consultation sought views on requiring all private rented sector properties to have a minimum EPC⁸ rating of 'E' at a change in tenancy from 2019 and rising to EPC level 'D' from 2022. It also proposes dates when all private rented properties would be expected to meet these standards.

Tolerable Standard

Tackling fuel poverty can assist with housing that is below the tolerable standard. To comply with the tolerable standard a house must have satisfactory thermal insulation. This element was added to the tolerable standard by the Housing (Scotland) Act 2006.

Thermal insulation relates only to the capacity of the house to retain heat. It does not extend to the performance of the heating system or the interaction between the heating and the building fabric.

For the purpose of the tolerable standard, the presence of roof insulation in a house is the indicator of satisfactory thermal insulation, therefore the installation of loft insulation can directly impact on the tolerable standard.

Existing Fuel Poverty Projects

Education and understanding will be key in meeting meet fuel poverty and climate change targets, and we will continue to promote the issues, effects and potential solutions to reducing fuel poverty and carbon emissions.

There are a number of existing and current schemes and projects developed and supported by Aberdeen City Council to reduce the levels of fuel poverty and reduce greenhouse gas emissions which include:

Energy Efficiency Advice Service

This service provides an advocacy, support and advice service to all householders in the city. Advice is provided in a variety of ways, but the most effective way is by providing bespoke, tailored advice in the home. This free, impartial service carries out around 1,500 home visits per annum to residents in all tenures and provides advice and support on matters such as:

- controlling heating to most effectively heat the home.
- dealing with fuel bill issues.

⁸ An Energy Performance Certificate (EPC) shows the energy current and potential energy rating of a property, known as a 'SAP rating'. A 'SAP' rating stands for Standard Assessment Procedure and is the government's recommended system for producing a home energy rating. The SAP charts have been divided into 7 bands ranging from A-G. Each range has a set amount of 'SAP' points. Each chart has a current and a potential energy rating out of a maximum of 100 points (being maximum efficiency).

-
- identifying practical improvements to reduce energy usage.
 - behavioural improvements.
 - changing fuel supplier, including ‘best deal’ fuel bill price comparison search.

Visiting in the home provides a more holistic service and can help identify other energy efficiency issues. It can also lead to referrals to other agencies, such as income maximisation services, who can provide pro-active support, helping to prevent issues or stop problems escalating, and therefore reducing demand on support services.

This service is currently delivered and managed by local charitable organisation [SCARF](#) which is funded by the council. This service, through its holistic approach aims to accelerate the rate of improvement in all sectors of housing in the city.

Aberdeen Victorian Tenement Project

This [project](#) provides a co-ordination service to support householders and owners of flats within the city’s granite tenements to improve the energy efficiency of their building and the flats within it, with focus on trying to organise the installation of loft insulation into communal owned loft space, as well as offering advice on energy efficiency of flat and/or building. This is currently managed and funded by the council’s home energy team. This project, through its tenure neutral approach, aims to accelerate the rate of improvement of energy efficiency in these hard to heat/ hard to treat buildings.

Aberdeen Affordable Warmth Loan scheme

Where householders are not eligible for existing grant schemes but are living in fuel poverty, this [scheme](#) can offer interest free or low interest loans to carry out energy efficiency improvements. This is currently delivered and managed by Aberdeen Care and Repair and is funded utilising a rolling fund obtained from various sources.

Energy Efficiency Fund

A “hardship” grant of up to £500 is available to homeowners in fuel poverty to contribute towards the cost of an energy efficiency improvement. This may be provided where other grants are not available and the householder would not be able to afford the loan. The most common award is for householders whose heating system has irreparably broken down and who have no savings or insufficient income to replace it. This is currently delivered and managed by [Aberdeen Care and Repair](#) and is funded by donations from different sources including the council.

Home Energy Efficiency Programme Scotland: Area Based Schemes

This is a Scottish Government [programme](#) aimed at supporting energy efficiency improvements to homes in the private sector. Although the primary focus is solid wall insulation, other measures installed as part of this programme include, solid wall insulation, loft insulation, cavity wall insulation, underfloor insulation and connection to district heating networks. This is funded by the Scottish Government with additional funding sourced from fuel utility commitments through the [Energy Company Obligation](#) (ECO).

Combined Heat and Power (CHP) and District Heating

This is a council programme with the original aim to connect all 59 multi-storey buildings in the city to a CHP Network or a District Heating Scheme. This target is expected to be reached in the next five years and consideration is needed on the strategic approach to expanding to other housing types. In addition, two new build council housing schemes are being connected to the network. CHP is managed and delivered on behalf of the council by [Aberdeen Heat and Power](#) and is mainly funded by the council.

Energy Efficiency Measures in Social Housing

The council continues to install various measures to improve housing to ensure compliance with Energy Efficiency Standard for Social Housing and the Scottish Housing Quality Standard. There is a focus on over-cladding of multi-stories and wall insulation of non-traditionally constructed properties. There is also a continuing programme aiming to ensure all loft, cavity and under floor spaces are insulated where viable.

Scotland's Energy Efficiency Programme (SEEP)

In 2015, the Scottish Government agreed to make energy efficiency a national infrastructure priority. Following on from this, consideration is now being given as to how this will be delivered. There have been two competitive funding rounds of the [Scottish Energy Efficiency Programme Pathfinders](#), which are helping to shape future programmes and develop policy. Aberdeen City Council has been successful in securing funding for each round.

For SEEP Pathfinder 1, funding was secured to develop and deliver projects to improve the efficiency and reduce pro rata carbon emissions of the existing Seaton combined heat and power network. This will be achieved by installing:

- External wall insulation to seven multi-storey buildings.
- Thermal storage at the Seaton Energy Centre.
- Air-absorption heat pump within the network.
- CHP Generator.
- Network connections to three non-domestic buildings in the east end of the city centre.

For SEEP pathfinder 2, funding has been secured to be used on developing a Local Heating and Energy Efficiency Strategy (LHEES). This will be piloted in Tillydrone, Old Aberdeen and Seaton.

It is anticipated that the Scottish Government will place a duty on local authorities to develop a LHEES. The work we are doing will help inform the Scottish Government on the requirements of a LHEES.

These projects not only demonstrate what we have previously done, but that they will also continue in 2018 onwards. Further, they show how we aim to achieve the maximum contribution for tackling fuel poverty, improving energy efficiency and reducing greenhouse gas emissions. We will continue to ensure bids for funding are submitted to all available sources which will include funding for private sector housing to ensure that the stock is improved across all tenures.

Key Indicators

A Health Inequalities Impact Assessment will be undertaken. The indicators and actions will be revised as required.

Tackle fuel poverty and contribute to meeting climate change targets.			
Indicator	Frequency & Source	Baseline	Target
Number of households in fuel poverty.	Annual Scottish House Condition Survey	29,400 2013-2015	Scottish Government reviewing definition and targets
Number of households in extreme fuel poverty.	Annual Scottish House Condition Survey	9,450 2013-2015	Scottish Government reviewing definition and targets
Carbon emissions from housing.	Every two years Powering Aberdeen	490,034 tonnes CO ₂ 2014	Reduce 2% per year to 2020



Chapter 8 - House Condition

Strategic Outcome 6

“

The quality of housing of all tenures is improved across the city.

”

Main Issues



Levels of disrepair across the city which require significant sums of investment.

Significant proportion of housing stock is tenements which requires owners to work together to carry out common repairs.

All social housing in the city must meet Scottish Housing Quality Standard (SHQS).

All social housing in the city must meet Energy Efficiency Standard for Social Housing (EESH) by 2020.

Key Actions



Social housing providers will continue to have rolling programmes of works to ensure compliance with Scottish Housing Quality Standard.

Social housing providers will continue to have rolling programmes of works to ensure compliance with Energy Efficiency Standard for Social Housing by 2020.

Continue to deliver information, advice and practical assistance through Scheme of Assistance¹ to improve the quality of private sector housing.

Continue to identify and address housing that is sub-standard, which includes housing that is below the tolerable standard² with a particular focus on tenements.

Introduction

This chapter sets out the council's approach to house condition across the city.

The quality of housing and the maintenance of its condition can impact on the look and perception of an area as well as the health and general wellbeing of residents.

¹ The Housing (Scotland) Act 2006 introduced a Scheme of Assistance to replace the previous system of grants for repairs and maintenance to private housing.

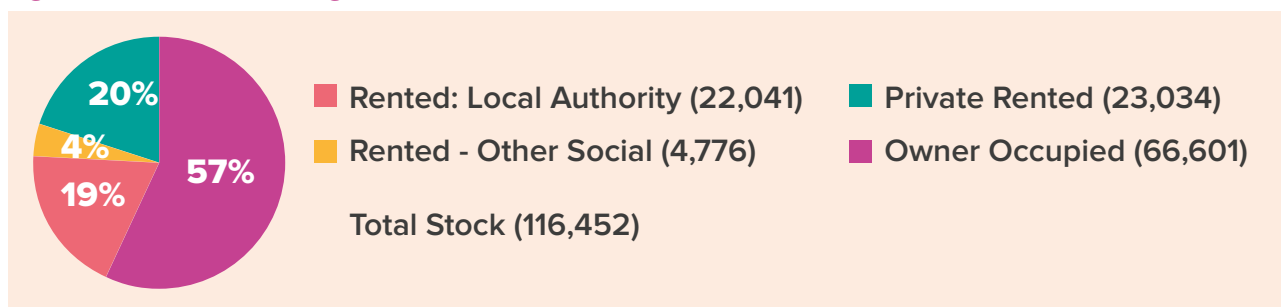
² The tolerable standard is a "condemnatory" standard; a house that falls below it is not acceptable as living accommodation.

Housing is one of many personal, social and environmental impacts on health and health inequalities. The complex interaction of these factors means that it can be difficult to identify the specific impact of housing. However, studies have regularly shown impacts on physical health. Poor conditions such as damp and cold have all been shown to be associated with physical illnesses including eczema, hypothermia and heart disease. Respiratory health has been shown to be particularly affected in both adults and children.³

Poor housing can also impact on mental health on a persons mental health to try to cope with the stress of living in cold, damp conditions.

Aberdeen City Council data from 2017 shows that the majority of housing is in the private sector. Owner occupied housing accounts for 57% (66,601) and a further 20% (23,034) is the private rented sector. Council housing accounts for 19% (22,041) of housing with a further 4% (4,497) rented from other registered social landlords.

Figure 8.1: Tenure of housing in Aberdeen



Source: Aberdeen City Council (2017)

House Condition – Private Sector Housing

Whilst local authorities and registered social landlords are required to ensure that their housing meets standards in relation to quality and energy efficiency, it is largely left to individual owners to decide whether to carry out repairs to their properties. This can pose particular challenges in tenements where owners need to jointly agree to carry out repairs and maintenance to common areas of the block.

To help owners with repairs and maintenance, the council has a private sector housing unit who deal with all aspects of private sector housing which includes:

- Delivery of Scheme of Assistance
- Landlord registration
- Licensing of Houses of Multiple Occupation

³ Scottish Public Health Network: [Foundations for well-being: reconnecting public health and housing. A Practical Guide to Improving Health and Reducing Inequalities 2017](#)

Local Context

Disrepair

As can be seen in Figure 8.2 below, the Scottish House Condition Survey for 2013-15 suggests that 79% of the private sector housing in Aberdeen has some level of disrepair, with 55% of all private stock having disrepair to a critical element and 50% with an urgent disrepair. Despite the council's assistance over the last five years, the levels of disrepair has not seen a dramatic improvement, if any improvement at all.

Figure 8.2: Disrepair to Private Sector Housing

	Year	Any (Basic) Disrepair		Disrepair to a critical element include the roof, walls or foundations.	Urgent Disrepair	Extensive Disrepair
		No Disrepair	Some Disrepair			
Aberdeen	2011-13	21%	79%	60%	35%	4%
Scotland		23%	77%	57%	36%	9%
Aberdeen	2012-14	21%	79%	55%	43%	4%
Scotland		26%	74%	55%	34%	6%
Aberdeen	2013-15	21%	79%	55%	50%	5%
Scotland		29%	71%	52%	32%	6%

Source: Scottish House Condition Survey (2013-2015)

The primary aim for the council is to address sub-standard dwellings.

A sub-standard dwelling is any dwelling that:

- Does not meet the tolerable standard; or
- Is in a state of serious disrepair; or
- Is in need of repair and if nothing is done, is likely to:
 - o deteriorate rapidly into a state of serious disrepair, or
 - o damage any other premises

To help identify sub-standard dwellings, we have a proactive approach whereby the private sector housing unit undertake external visual inspections of traditional granite tenements to identify disrepair. Reports are provided to owners with advice about how best to carry out the repairs.

If disrepair is not addressed then enforcement action through the use of work notices may be used. Enforcement powers will only be used when all other avenues have been explored.

Enforcement Powers

Work Notice

Where an owner of a house, or a majority of owners within a tenement refuse to carry out essential repairs, the council may serve work notices requiring the owners to carry out the necessary works by a given/specific deadline. Where the works aren't carried out, the council may undertake the work and recover the costs from all owners. To date, we have only had to action works on one occasion as homeowners tend to complete the works without any further intervention.

Figure 8.3: Work notices served by Aberdeen City Council

Year	Work Notices issued
2016/2017	49 properties
2015/2016	3 properties
2014/2015	38 properties

Source: Aberdeen City Council (2017)

Missing Shares

Where a majority of owners within a flatted property wish to proceed with a communal repair, but a minority of owners refuse to participate, the council may agree to pay the 'missing share(s)' of the cost of repair into a property maintenance account to allow the works to proceed. The council will then recover the costs from the relevant owners.

Figure 8.4: Number of Missing Shares Paid over the last three years.

Year	Number of Missing Shares Paid
2016/2017	38 properties
2015/2016	33 properties
2014/2015	37 properties

Source: Aberdeen City Council (2017)

Policies for Tackling Disrepair in Private Sector Housing

There are three main policies which focus on addressing disrepair in private sector housing:

- Scheme of Assistance
- Below Tolerable Standard Strategy
- Housing Renewal Area Policy

Scheme of Assistance

In line with Scottish Government policy, our Scheme of Assistance seeks to encourage homeowners to take more responsibility for the condition of their homes, to ensure that private housing is kept in a decent state of repair.

Whilst homeowners are primarily responsible for the repairs and maintenance of their own homes, local authorities have statutory powers to maintain and improve the general condition of private sector housing in their area.

Where a homeowner needs help with repairs and maintenance, the Scheme of Assistance allows local authorities to provide assistance. This assistance is usually provided through information, advice and practical help.

Below Tolerable Standard (BTS)

We have completed a number of local house condition surveys over the years. The last survey was carried out in 2005 which indicated that there was very little BTS housing left in the city. In fact, the extent of BTS housing was so low that none was located within the sample.

With the introduction of the Housing (Scotland) Act 2006 which redefined the tolerable standard to include insulation and electrical installation, there has been a marked increase in the estimate of BTS properties both in Aberdeen and across Scotland.

As can be seen in Figure 8.5 below, the Scottish House Condition Survey for 2013-15 suggests that 3% of the private sector housing in Aberdeen is BTS.

Figure 8.5: Below Tolerable Standard Housing in Private Sector

Area	2011-13	2012-14	2013-15
Aberdeen	5%	5%	3%
Scotland	3%	3%	2%

Source: Scottish House Condition Survey (2017)

The proactive approach taken by the private sector housing unit to help identify sub-standard dwellings is beneficial because this also identifies dwellings that are BTS. Reports are provided to owners with advice about how best to carry out the repairs with enforcement action being undertaken if necessary. The enforcement action can result in owners having a closing order or demolition order served on the property. These powers would not however be used for failure of the standard for safe electrical systems or lack of insulation. Information and advice would be offered through Scheme of Assistance in these circumstances.

The proactive approach that is taken by the private sector housing unit means that information can be collated on sub-standard housing which can be used to inform and update the strategy.

Housing Renewal Area

Where it is established that an area has a significant number of houses which are sub-standard or that the appearance or state of repair of any houses are adversely affecting the amenity of that area, we may consider declaring a housing renewal area with the purpose of improving that area.

Where a house is defined in a housing renewal area action plan as a house which the local authority considers to be in a state of serious disrepair and ought to be demolished, we may require the owner of the house to demolish it by the serving of a demolition notice.

When considering whether an area is to be declared a housing renewal area, we will consult with the owners and representative groups within that area in order to:

- Advise on how a housing renewal area operates and what it will mean for that particular area.
- Agree on the boundary of the area to be included.
- Agree on an appropriate action plan that will ensure that any agreed works can be carried out.
- Advise on what assistance if any can be provided.

At this stage there is no evidence to suggest there is a substantial number of sub-standard housing in any localised area to warrant the designation of a housing renewal area. Aberdeen, unlike some other local authority areas, does not suffer from housing blight in any areas or streets of the city.

Any individual properties suffering from serious disrepair are issued with a works notice or maintenance order and follow up action is taken if this is not complied with.

This situation is monitored and our position would be reviewed depending on whether it is felt that the situation has changed.

House Condition – Social Housing

Stock Profile of Social Housing in Aberdeen

As at March 2017, Aberdeen City Council has a total housing stock of 22,041 dwellings. Figure 8.6 below shows Aberdeen City Council's housing stock is ageing, with 25% now being built more than 70 years ago (pre 1945). 68% of the stock was built between 1945 and 1982, and 7% of the stock was built after 1982.

Figure 8.6: Age and Type of Housing Stock within Aberdeen

Age	All Types	House	All flats	High rise	Tenement	4 in a block	Other flat
Pre 1919	1,168	4	1,164	0	1,164	0	0
1919 - 1944	4,295	251	4,044	0	2,371	1,673	0
1945 - 1964	6,028	3,036	2,992	250	2,112	425	205
1965 - 1982	8,993	1,812	7,181	3,555	3,163	20	443
Post 1982	1,557	222	1,335	58	465	22	790
Total	22,041	5,325	16,716	3,863	9,275	2,140	1,438

Source: Aberdeen City Council (2017)

Figure 8.7 below shows the stock figures broken down by property type. The combination of an ageing stock, a high proportion of tenements (42%) and multi storey blocks (17.5%) can produce challenges in terms of ensuring these properties continue to be well maintained.

Figure 8.7: Aberdeen City Council Housing Stock by Type

House Type	Total	Percentage
4 in a block	2,140	9.7%
Multi-Storey	3,863	17.5%
House	5,325	24.2%
Other Flat/Maisonette	1,438	6.5%
Tenement	9,275	42.1%
Total	22,041	100%

Source: Aberdeen City Council (2017)

Multi Storey Blocks

As can be seen from Figure 8.8 below, Aberdeen City Council, like some other urban authorities, has a high percentage of multi storey blocks. However, unlike some of the other urban authorities the council has not demolished any multi-storey blocks. Due to the nature of multi-storey housing stock, the council will experience higher expenditure on the maintenance of these types of properties including high cost elements such as replacement of lifts, work to common areas and over-cladding.

Figure 8.8: Multi Storey Housing Stock

Social Housing Provider	Multi Storey Housing Stock
Aberdeen City Council	17.5%
Dundee City Council	8%
City of Edinburgh Council	16%
Glasgow Housing Association	20%

Source: The Scottish Government (2017); Scottish Housing Regulator (2017)

Registered Social Landlord

Figure 8.9 below shows the registered social landlords who operate in the Aberdeen area with a total of 4,776 self-contained units. Scottish Government statistics show that fewer properties in Aberdeen are socially rented from housing associations (4%) compared to the national average (11%).

Figure 8.9: Registered Social Landlord Stock in Aberdeen

Social Housing Provider	Stock
Soroptomists	15
Ark	22
Blackwood	99
Castlehill	993
Grampian	1,290
Hanover	121
Langstane	1,399
Sanctuary	772
Osprey	65
Total Stock	4,776
Total City Housing Supply	116,452
Percentage of Total Stock	4%

Source: RSLs; Aberdeen City Council (2017)



Capital Programme to Improve the Quality of Social Housing

Social landlords' capital programmes are funded by a package of capital receipts, borrowing and income from rents, service charges and grant funding. It enables the creation and development of the social housing stock.

Typical works within the capital programme include new heating systems, kitchen and bathroom upgrades, new windows, doors, rewiring and major structural works.

In addition to the capital programme of works, it is vital to have a cyclical maintenance programme in place to ensure common areas of properties are well maintained.

It is also vital to ensure that procedures are in place in order to deliver an effective and adaptable repairs service including emergency and non-emergency repairs.

Scottish Housing Quality Standard

The [Scottish Housing Quality Standard](#) (SHQS) is the Scottish Government's principal measure of housing quality in Scotland. It is a set of five broad housing criteria which must all be met if the property is to meet the standard. These criteria comprise of 55 elements and nine sub-elements against which properties are measured.

The purpose of the housing standard for social housing in Scotland is essentially to provide a minimum level which a property is ideally required not to fall below. Scottish Government previously set a policy target for social sector landlords to bring their stock up to every element of the standard (where applicable) by April 2015.

All social housing providers within Aberdeen achieved SHQS, as far as was reasonably practicable by April 2015. Figure 8.10 below shows the percentage of compliant, non-compliant and those properties with exemptions for all social housing providers within the city. It should however be noted that failure rates can fluctuate year on year as tenancies change and SHQS elements within homes need to be repaired or replaced. The council and RSLs are continually working on a programme of improvements and target void periods to effect SHQS works.

Figure 8.10: Percentage of SHQS Compliances/Non-compliant and Exemptions

Social Housing Provider	Compliant	Non-Compliant	Exemptions
Aberdeen City Council	92.4%	4.2%	3.4%
Castlehill	99.8%	0.2%	0%
Grampian	88.0%	6%	6%
Langstane	94.4%	5.6%	0%
Sanctuary (Tenants First)	95.4%	0.3%	4.3%
Average	94%	3.3%	1.9%

Source: RSLs; Aberdeen City Council (2017)

Social housing providers within Aberdeen are averaging 94% of properties being compliant with SHQS with 3.3% of properties needing to be brought up to SHQS standard and 1.9% being exempt from SHQS.

Significant investment has and will be committed to ensure, as far as possible, that all social housing meets SHQS on an ongoing basis. Funding for this forms part of asset management plans for social housing providers within Aberdeen and includes a rolling programme for dealing with any non-exempt stock.

It should be noted however that the Right to Buy⁴ policy has impacted on the way in which social housing providers carry out repairs and improvements to their stock in mixed tenure blocks which can affect their ability to meet SHQS. As each mixed tenure block requires its own decision making process, it fundamentally changes the way that the social landlords programme their asset management strategies in relation to mixed tenure properties. The council has reviewed its engagement procedures with homeowners in mixed tenure blocks in order to progress works in common areas that affect SHQS. This does mean that, in some cases, it takes longer to progress some works than others, with more exemptions being required.

Abeyances

Abeyances are where the works leading to compliance have been offered but the tenant will not allow access to the property or refuses to have the work undertaken. All social landlords within Aberdeen have a procedure in place to deal with such situations. Works can be undertaken when there is a tenancy change; this can either take place during the void period or once the new tenant has moved in.

The abeyances are monitored and statistics are provided to the [Scottish Housing Regulator](#) on the council's and registered social landlords performance. They are published by the Scottish Housing Regulator through the [Annual Return on the Charter](#).

Exemptions

Exemptions occur when properties, due to their layout and design cannot comply with the standard. Many of these properties do not meet the standards due to the small size of the kitchen which means that they cannot meet the criteria which relates to inadequate food storage. Social housing providers are not able to put a process in place for these types of property since there is nothing practical that can be done.

All social housing providers have a rolling programme to identify properties which are non-compliant and to make any necessary improvements or repairs in order to meet the standard.

We will continue to monitor non compliant properties and will take action either through the void period and to re-engage with tenants to ensure on going compliance with SHQS.

Energy Efficiency Standard for Social Housing

[Energy Efficiency Standard for Social Housing](#) (EESH) is an enhancement to the current SHQS legislation and aims to improve the energy efficiency of social housing in Scotland. It will help to reduce energy consumption, fuel poverty and the emission of greenhouse gases.

In order to comply with EESH, social landlords in Aberdeen aim to ensure that all housing stock has adequate levels of the 'basic' standard energy efficiency measures of loft, cavity wall and underfloor insulation.

Social housing providers have had a rolling insulation programme for many years and therefore the vast majority of social housing in Aberdeen is adequately insulated, however there are still properties that have not yet benefited from this, due to hard to heat properties and refusals from tenants (see abeyances).

⁴ Right to Buy legislation was introduced thirty years ago in the UK which allowed tenants of social housing to purchase their property for a discounted rate. Right to Buy was ended in Scotland in July 2016.

Currently 3,707 council properties and 708 registered social landlord properties do not meet EESSH. It should also be noted that recent changes to Reduced Data Standard Assessment Procedure⁵ (RDSAP) has increased the number of properties that do not meet EESSH.

All social housing providers within Aberdeen are in the process of identifying properties which do not meet the standard and to establish what improvements are required to achieve compliance with EESSH. Once complete, works will be planned through the capital programme; some works may already form part of planned ongoing routine life cycle upgrades or will be completed when the property is vacant.

Aberdeen City Council has established the work that needs to be completed in every property in order to achieve EESSH by 2020. This will be financed from current revenue and any grant assistance that may be available.

Social Housing Provider’s Strategic Plans for Meeting EESSH

Figure 8.11 below shows the percentage of properties, as of September 2017, that are compliant and non-compliant with EESSH. Social housing providers within Aberdeen are averaging 78% of properties being compliant with EESSH with 22% of properties needing to be brought up to the standard.

Figure 8.11: Percentage of Properties Compliant and Non-Compliant with EESSH.

Social Housing Provider	Compliant	Non-Compliant
Aberdeen City Council	86%	14%
Castlehill	91%	9%
Grampian	76%	24%
Langstane	85%	15%
Sanctuary (Tenants First)	54%	46%
Average	78%	22%

Aberdeen City Council

Aberdeen City Council have a rolling programme to identify properties and to ensure compliance with EESSH through the capital programme. This will involve the installation of a variety of measures ranging from loft insulation and external wall insulation. The measures will be specific to the individual house type.

Funding for EESSH will be provided in full through the Housing Revenue Account⁶ capital programme with funding available through to 2020 and beyond. Additional funding may also be available through the Scottish Government and through Energy Company Obligations. Progress is submitted to the Scottish Housing Regulator annually, to show progress towards the 2020 target. Work is ongoing to ensure that the remaining 3,707 properties will meet EESSH by 2020.

⁵ The Reduced Data SAP is the government approved survey system used to produce the Energy Performance Certificates required by 2002 European Energy Performance of Buildings Directive (EPBD), which came into force in 2006. The EPBD seeks to reduce the amount of CO2 which is emitted as a result of heating, lighting and providing hot water to UK homes.

⁶ The Housing Revenue Account records all revenue expenditure and income relating to the provision of council dwellings and related services. The use of this account is heavily prescribed by statute and the Council is not allowed to fund any expenditure for non-housing related services from this account.

Castlehill Housing Association

Castlehill Housing Association will survey 0.2% out of the 9% of properties which do not meet EESSH in order to identify works needed to bring the properties to the standard. Properties that do not meet EESSH will be individually assessed for technical and financial viable options. The measures used to meet EESSH will be dependent on the property and the elements which need upgrading. To fund EESSH measures, Castlehill will use own financial resources and take advantage of any grant funding available. Work is ongoing to ensure that the 9% of properties that do not meet EESSH do meet the requirements by 2020, with progress being submitted annually to the Scottish Housing Regulator.

Grampian Housing Association

The measures that Grampian Housing Association will take to upgrade properties to meet EESSH standard are external insulation measures, internal and cavity wall insulation and the use of solar photovoltaic (PV)⁷. Grampian Housing Association will also undertake the installation of LED energy efficient light bulbs. All of these measures will either be funded within current budgets or from an interest free loan offered by the Scottish Government to help fund EESSH. Progress is ongoing and the planned works will ensure that the non-complaint properties meet EESSH by 2020.

Langstane Housing Association

Langstane Housing Association are in the process of completing a three year programme to upgrade around 300 electric heating systems into gas central heating. Langstane will also carry out work to ensure that all properties with marginal failures meet EESSH. The measures include the replacement of heating controls, topping up loft insulation, installing energy efficient lighting. Those measures should ensure that the 80 properties with marginal failures meet EESSH. However, 'hard to treat' properties such as granite tenements will require extensive work, including internal wall insulation or underfloor insulation.

Funding for EESSH will consist of a combination of grant funding and Langstane Housing Association will use £1 million of their own funds.

Langstane is making progress towards the 2020 target and the number of properties that are compliant have risen every year. Langstane are aiming to improve 100 properties per year until 2020. Langstane are predicting 138 exemptions by 2020, with all other properties being compliant.

Sanctuary Housing

Sanctuary are currently working with Pennington Choices to ensure that their properties meet EESSH. Pennington Choices are currently working through the properties that have been identified as having a perceived EESSH failure and are in the process of carrying out a variety of required works by a planned upgrade programme to ensure those properties in order to meet the target by 2020.

The required works will be carried out using grant funding, where possible. Outwith grant assistance, it is Sanctuary's intention to fund, where possible, the required work from their own funds using a planned programme capital funding which is linked to their spend profiles contained in their business plan until 2020. Sanctuary are still working to cost allocate all required works, and within this area, are discussing all work content to date with consultants to maximise use of available grant funding.

Progress is being made to ensure that the properties that do not currently meet EESSH standards do, through a programme of works. Sanctuary's progress will be submitted annually to the Scottish Housing Regulator.

⁷ Photovoltaics (PV) is the name of a method of converting solar energy into direct current electricity.

Key Indicators

A Health Inequalities Impact Assessment will be undertaken. The indicators and actions will be revised as required.

Improve the Quality of Housing of all Tenures Across the City.			
Indicator	Frequency & Source	Baseline	Target
Number of dwellings meeting Scottish Housing Quality Standard.	Annual Scottish Housing Regulator	Aberdeen City Council 92%	100%
		Castlehill 100%	
		Grampian 88%	
		Langstane 94%	
		Sanctuary 95% All as at March 2017	
Number of dwellings meeting Energy Efficiency Standard for Social Housing (ESSH).	Annual Scottish Housing Regulator	Aberdeen City Council 86%	100% by 2020
		Castlehill 91%	
		Grampian 76%	
		Langstane 85%	
		Sanctuary 54% All as at March 2017	
Number of dwellings in disrepair in private sector housing.	Annual Scottish House Condition Survey	79% 2013/2015	Improve
Number of dwellings with disrepair to critical elements in private sector housing.	Annual Scottish House Condition Survey	55% 2013/2015	Improve
Number of dwellings with urgent disrepair in private sector housing.	Annual Scottish House Condition Survey	50% 2013/2015	Improve



ABERDEEN
CITY COUNCIL

Joint Delivery Action Plan



LHS Chapter		Housing Supply and Placemaking		
Strategic Outcome 1	There is an adequate supply of housing across all tenures and homes are the right size, type and location that people want to live in with access to suitable services and facilities.			
Key Indicator		Baseline 16/17	Target	Frequency & Source
Number of affordable homes delivered.		117	342 - 384	Annual Aberdeen City Council
Number of private homes delivered.		594	634 - 712	Annual Aberdeen City Council
Strategic Action		Operational actions		
Work with partners to increase the supply of housing.	Ensure there is an appropriate Local Development Plan in place with an adequate supply of land.			
	Work with private developers to increase the supply of housing.			
	Maximise the delivery of additional units of affordable housing through the planning process.			
	Assess the feasibility of building additional council homes.			
	Work with registered social landlords to increase the supply of affordable housing.			
	Provide advice to owners of empty properties to bring empty homes back into use.			
Promote a range of affordable housing models.	Work with registered social landlords partners to deliver housing for mid-market rent.			
	Work with private developers to promote low cost home ownership.			
Work with partners and stakeholders to lever in additional finance for the provision of affordable housing.	Utilise all funding options to increase the supply of affordable housing.			
	Continue to charge the additional Council Tax levy to empty and second homes to provide funding for affordable housing.			
	Utilise all funding made available through Scottish Government Affordable Housing Supply Programme.			
	Ensure developer obligations are fully utilised and spent on affordable housing.			

LHS Chapter		Homelessness		
Strategic Outcome 2	Homelessness is prevented and alleviated.			
Key Indicator	Baseline 16/17	Target	Frequency & Source	
Percentage of statutory homeless decisions reached within 28 days.	97%	100%	Annual Aberdeen City Council	
Length of time spent in temporary accommodation.	103.9 days	90 days	Annual Aberdeen City Council	
Homeless journey time.	182 days	100 days	Annual Aberdeen City Council	
Reduce repeat homelessness	5.08%	5% (2016/17) 4% (2020/21) 2% (2026/27)	Annual Aberdeen City Council	
Increase percentage of households previously homeless that have sustained their tenancy for more than 1 year.	92.7%	94% (2016/17) 96% (2020/21) 100% (2026/27)	Annual Aberdeen City Council	
Strategic Actions	Operational actions			
Develop a policy for sustainable temporary accommodation.	Carry out a detailed review of temporary accommodation.			
	Benchmark with other local authorities and compare our processes with what they do to identify any improvements that can be made to our services.			
	Explore a Social Letting Agency model and opportunities around support into private sector to prevent and resolve homelessness.			
	Redesign existing supported accommodation for customers where a housing first/ housing led approach will not work.			
	Redesign existing supported accommodation for customers aged 26 and over.			
	Review provision of Private Sector Leasing scheme.			
	Furniture Storage contract renewal.			
Implement Housing First model in Aberdeen.	Explore alternative options for storage of belongings.			
	Commission an additional accommodation framework.			
	Increase quality shared accommodation in temporary accommodation to reduce cost to the council.			
	Review the rental charge levied in temporary accommodation in line with costs of service and welfare reform.			
	Update Housing Allocation Policy to give priority and choice to Housing First customers.			
	Complete the review of young people protocol with Children Services.			
	Develop community response and support.			
	Reduce the length of time from presentation to delivery of support.			
	Creation of a Housing First Steering Group.			
	Provide flexible support which is targeted at earlier interventions.			
	Identify suitable properties for the Housing First project.			
	Determine the criteria for clients who will form part of the pilot.			
	Recruit appropriate staff.			
Develop a Housing Support Framework.				

Review the process for people leaving prison in line with the SHORE protocol.	Complete review of protocol with Scottish Prison Service.
	Review of ACC delegated powers with regard to prisoners.
	Review internal policies and procedures with regard to prisoners.
	Review staff resources in relation to the protocol.
Review the process for supporting looked after children.	Complete review of young people protocol with Children Services, including criteria for children who are to be considered under Housing First.
Implement a common outcomes tool framework for housing support.	Explore the options for a Common Outcomes Tool.
Adopt a preventative approach that will ensure referrals for housing support are made at the appropriate time to avoid homelessness.	Ensure that support referrals are made at the appropriate time by Housing Officers, Anti-Social Behaviour Investigation Team, Housing Advice Officers, Case Officers, Arrears Intervention Officers and Social Work.
Develop a solution for young people who are presenting as homeless.	Work with schools and colleges, taking an early intervention approach to ensure that vulnerable young people are aware of their rights and responsibilities.
	Adopt a Housing Led approach.
	Develop performance measurements and targets for prevention.
	Ensure all presentations from young people aged 16-25 leaving a family home are visited and offered mediation
	Explore NightStop approach to prevent young people coming into temporary accommodation.
Develop a Housing Support Framework.	
Develop a policy for improved tenancy sustainment to increase the number of homeless households who have sustained a tenancy for more than one year.	Ensure the right level of support is delivered timeously to those in temporary and permanent housing.
Reduce repeated homelessness.	Review eviction processes and embed learning from tenancy sustainment panel.
	Provide short term low level support (e.g. visiting to ensure 'settled-in', providing starter pack of furniture/household items).
	Ensure tenants are signposted to the correct services for longer term assistance where required (e.g. training to address budgeting, cooking, 'life skills' or befriending to combat isolation).
	Develop peer support resources.
	Reduce time spent in temporary accommodation.
	Investigate the link between the length of homeless journey time and repeat homelessness.
	Deliver training to staff on new Private Rented Tenancies Act (2016).

Promote the use of the private rented sector in Aberdeen to reduce demand on social housing and homeless services.	Widen the use of Rent Deposit Guarantee Scheme to private landlords.
	Increase homelessness prevention and 'discharge of duty' into private rented sector
	Explore further opportunities for meeting demand using the private rented sector
	Maintain good communication links between landlords, housing benefit administration and support agencies to ensure early identification of vulnerable tenants in the event of missed rent payments.
	Create a framework and structure that meets the needs of all audiences (frontline staff, practitioner etc.)
Roll out the use of the housing options toolkit	Creation of a flexible range of training materials.
	Map existing resources that can be incorporated within the Housing Options Toolkit.
	Investigate IT solutions that can be used between existing resources and the Housing Options Toolkit.
	Create outcomes framework for front-line staff using Housing Options Toolkit.
	Undertake the required certification or assessment standards that need to be incorporated within the Housing Options Toolkit.
	Review of rental charge for temporary accommodation.
Develop solutions to mitigate the impact of welfare reform.	Develop an information leaflet for customers on the impact of the welfare reform changes.
	Identify opportunities for funding that could be gained for projects that could mitigate the impact of welfare reform.
	Consider expanding choice based letting to allow applicants more choice.
Review the Choice Based Lettings service.	Investigate an IT solution in conjunction with HomehuntNES
	Review nomination agreement and section 5 arrangements with HomehuntNES
Review nomination agreements and Section 5 arrangements.	Develop a nomination agreement and section 5 arrangements with Langstane Housing Association.
Ensure that homelessness services positively influence health inequalities and health outcomes.	Undertake a Health Inequalities Impact Assessment in conjunction with the public health team.

LHS Chapter	Independent Living & Specialist Provision		
Strategic Outcome 3	People are supported to live, as far as is reasonably practicable, independently at home or in a homely setting in their community.		
Key Indicator	Baseline 16/17	Target	Frequency & Source
Percentage of adults supported at home who agree that they are supported to live as independently as possible.	82%	90%	Biennial Health and Care Experience Survey
Number and percentage of new build affordable properties developed as accessible for people with a particular need.	0 properties	15% of all new build stock	Annual Scottish Government
Provide better outcomes for people leaving hospital who have housing issues by reducing the number of people whose discharge is delayed because of housing related issues and/or reduce the length of housing related delays.	4 delays 527 days	2 delays 200 days	Annual NHS Grampian
Number of disabled adaptations carried out in: <ul style="list-style-type: none"> Private Sector properties Registered Social Landlords properties Local Authority properties. 	2016/17 223 203* 1,219 *Figure includes both Aberdeen City and Aberdeenshire boundary.	2017/18 250 210* 1,300	Annual Aberdeen City Council Scottish Government
Enable people to be supported in their own homes through the use of telecare by increasing the number of people receiving care in the home.	2016/17 2,602 (excludes sheltered and very sheltered housing)	2017/18 2,800	Annual Aberdeen City Council/ Aberdeen City Health and Social Care Partnership Bon Accord Care
Strategic Action	Operational actions		
Progress the planned expansion of extra care housing provision in line with the outcomes of the housing for varying needs review.	Review decisions taken as part of the Housing for Varying Needs Review.		
	Provost Hogg Court operational as very sheltered housing.		
Update housing contribution statement.	Refresh the housing contribution statement that aligns to the Aberdeen City Health and Social Care Strategic Plan.		
Ensure that the local housing strategy positively influences health inequalities and health outcomes.	Undertake a Health Inequalities Impact Assessment in conjunction with public health team.		

Undertake a review of specialist housing requirements to help support people to live independently in line with priorities identified in the strategic plan and strategic commissioning implementation plan.	Review specialist housing provision for people with a learning disability.
	Review provision for people with mental health and or/substance misuse problems.
	Implement the outcomes of 'Complex Delays' working group which is looking at the development of National Standards.
	Review the commissioning between Aberdeen City Council and the Aberdeen City Health and Social Care Partnership for housing support services. (excluding homelessness)
Revise protocols between all social housing providers across Aberdeen City and the Health & Social Care Partnership to facilitate hospital discharges.	Establish a working to develop protocols for hospital discharge and priority for hospital discharge cases with all registered social landlords.
Increase provision of intermediate care services by providing short stay, adapted housing as step up/step down accommodation to enable people to leave hospital or receive additional support to prevent admission.	Provide two interim housing properties for people with low level support needs.
Work with the Aberdeen Integration Joint Board to identify appropriate levels of funding for adaptations.	Ensure adequate funding levels for private sector adaptations.
	Ensure adequate funding levels for council housing adaptations.
	Develop a policy around funding for adaptations to ensure that needs are met.
Implement the recommendations from the adapting for change demonstrator sites.	Agree protocols with registered social landlords and develop a cross-tenure pathway and information leaflet.
	Implement recommendations around housing related delayed discharge.
Joint Assessment Panel – Very Sheltered Housing/Care Home Panel	Establish joint care home/very sheltered housing panel (including membership from registered social landlords).
Review of charging policy for sheltered/very sheltered housing (including meals charge)	Review charges and implement as part of Aberdeen City Health and Social Care Partnership's Charging Policy.
Review service level agreements in place with Disabled Persons Housing Service and Citizens Advice Bureau for the provision of housing information and advice	Monitor the number of older people or people with a disability receiving housing options advice from Disabled Persons Housing Service and/or Citizens Advice Bureau prior to hospital discharge or whilst in interim accommodation.
Increase the number of new build properties that are adapted to meet particular needs	15% of affordable homes should be adapted to meet the needs of people with a disability.
Develop a housing, health and social care performance framework	Work with the health and social care partnership's performance group to establish a performance framework.

LHS Chapter		Private Rented Sector		
Strategic Outcome 4	Consumer knowledge, management standards and property condition is improved in the private rented sector.			
Key Indicator	Baseline 16/17	Target	Frequency & Source	
Percentage of PRS properties in disrepair.	90% (2013-2015)	Reduce	Annual Scottish House Condition Survey	
Landlord Accreditation Scotland training courses.	10	10	Annual Landlord Accreditation Scotland	
Number of third party referrals to the Housing & Property Chamber.	0	3	Annual Housing & Property Chamber	
Strategic Action	Operational actions			
Provide information and advice to private landlords and tenants to help improve awareness of their rights and responsibilities.	Hold an annual landlord information session to provide an update on relevant changes that affect private rented sector landlords.			
	Produce and issue a leaflet for private rented sector landlords detailing their rights and responsibilities and include on website.			
	Work in partnership with Landlord Accreditation Scotland and Aberdeenshire Council to deliver training courses locally for landlords and letting agents.			
	Send bulk emails to landlords to update them on legislative changes.			
	Ensure information on webpage is up to date with information relevant to landlords.			
	Email leaflet to all registered landlords when they register or renew their registration to improve knowledge in the private rented sector.			
	Provide information and advice to tenants when they contact the private sector housing unit with issues regarding management standards.			
	Produce and issue a leaflet for private rented sector tenants detailing their rights and responsibilities and include on website.			
	Provide information and advice to tenants when they contact the private sector housing unit with issues regarding repairs.			
Work with private landlords and letting agents to improve management standards in the private rented sector.	Liaise with colleagues in Council Tax to identify unlicensed private rented sector properties and Houses in Multiple Occupation.			
	Respond to complaints regarding Houses in Multiple Occupation properties.			
	Target unregistered landlords to ensure they register.			
	Target expired landlords to ensure they register.			
	Work with Police Scotland to ensure landlord registration applicants are "fit and proper."			
	Develop a pro-forma for council teams to use to share information regarding landlord complaints regarding property management.			
Work with private landlords and letting agents to improve property condition in the private rented sector.	Submit third party reporting to Housing & Property Chamber as per delegated powers.			
	Provide information and advice to landlords to ensure compliance with the Repairing Standard.			
	Develop a pro-forma for council teams to use to share information regarding landlord complaints relating to property condition.			

LHS Chapter		Fuel Poverty & Climate Change		
Strategic Outcome 5		Tackle fuel poverty and contribute to meeting climate change targets.		
Key Indicator	Baseline 16/17	Target	Frequency & Source	
Number of households in fuel poverty.	29,400 (2013-2015)	Scottish Government currently reviewing definition and targets.	Annually Scottish House Condition Survey	
Number of households in extreme fuel poverty.	9,450 (2013-2015)	Scottish Government currently reviewing definition and targets.	Annually Scottish House Condition Survey	
Carbon emissions from housing.	490,034 tonnes of CO ₂ (2014)	Reduce by 2% per year until 2020.	Every two years Powering Aberdeen	
Strategic Action	Operational actions			
Improve energy efficiency of housing across all tenures.	Continue to submit bids for funding through all Scottish Government and Westminster initiatives. Work with external organisations to ensure the funding is fully utilised and spent.			
	Continue with Aberdeen Victorian Tenement Project to improve the energy efficiency of granite tenements.			
	Continue with Aberdeen Affordable Warmth Scheme to help improve the energy efficiency of private sector housing.			
	Social housing providers continue to install energy efficiency measures to social housing.			
	Warm Homes Scotland installs energy efficiency measures to properties in Aberdeen.			
	Establish a partnership with an independent energy service company to offer a reduced rate of gas and electricity to residents across the city.			
	Continue to expand and develop the District Heating Network.			
	Develop Phase one of the heat network using heat from the energy from waste plant in Torry.			
Work with residents to help them obtain the best price for heat and energy.	Home Energy Advice Team helps residents to find the best price for heat and energy.			
	Establish a partnership with an independent energy service company to offer a reduced rate of gas and electricity to residents across the city.			
	Continue to expand and develop the District Heating Network.			
	Develop Phase one of the heat network using heat from the energy from waste plant in Torry.			
Home Energy Advice Team helps residents to find the best price for heat and energy.				

Work with residents to maximise their income.	Home Energy Advice Team provides residents assistance with income maximisation via Home Energy Scotland.
	Council's Financial Inclusion Team provides residents assistance with income maximisation.
	Home Energy Advice Team provides residents with energy efficiency savings advice which can reduce their fuel bills, therefore maximising their disposable income.
Work with residents to help them use their energy in the most efficient manner.	Home Energy Advice Team helps residents to use their energy in the most efficient manner.
Work with residents to encourage a reduction in their carbon footprint.	Continue to assess feasibility of establishing an energy company to support the council to develop low carbon projects and address fuel poverty.
	Home Energy Advice Team helps residents reduce their carbon footprint.
	Home Energy Scotland provides assistance to residents to help them reduce their carbon footprint through advice and assistance regarding renewable technologies.
Work with other agencies and partners, including the Health and Social Care Partnership to deliver the key actions in relation to fuel poverty.	Raise awareness of legislation that will impact householders regarding energy efficiency.
	Raise awareness of the Regulation of Energy Efficiency of Private Sector.
Raise awareness of the issues relating to fuel poverty across all sectors.	Continue to promote the wider issues of fuel poverty with the relevant stakeholders and partners.

LHS Chapter	House Condition			
Strategic Outcome 6	Improve the quality of housing of all tenures across the city.			
Key Indicator	Baseline 16/17	Target	Frequency & Source	
Number of dwellings meeting the Scottish Housing Quality Standard.	Aberdeen City Council - 92% Castlehill - 100% Grampian - 88.% Langstane - 94% Sanctuary - 95%	100%	Annual Scottish Housing Regulator	
Number of dwellings meeting Energy Efficiency Standard for Social Housing.	Aberdeen City Council - 86% Castlehill - 91% Grampian - 76% Langstane - 85% Sanctuary - 54%	100% by 2020	Annual Scottish Housing Regulator	
Number of dwellings in disrepair in private sector housing.	79%	Improve	Annual Scottish House Condition Survey 2013 - 2015 data	
Number of dwellings with disrepair to critical elements in private sector housing.	55%	Improve	Annual Scottish House Condition Survey 2013 - 2015 data	
Number of dwellings with urgent disrepair in private sector housing.	50%	Improve	Annual Scottish House Condition Survey 2013 - 2015 data	
Strategic Action	Operational actions			
Social housing providers will continue to have rolling programmes of works to ensure compliance with Scottish Housing Quality Standard.	Ensure all social housing providers have adequate funding and a robust programme of Scottish Housing Quality Standard works in place annually.			
Social housing providers will continue to have rolling programmes of works to ensure compliance with Energy Efficiency Standard for Social Housing by 2020.	Ensure all social housing providers have adequate funding and a robust programme of Energy Efficiency Standard for Social Housing works in place annually.			
Continue to deliver information, advice and practical assistance through Scheme of Assistance to improve the quality of private sector housing.	Homeowners are provided with information, advice and practical assistance to help them carry out repairs and maintenance to their homes.			
	Continue to use missing shares to assist owners to carry out repairs to flatted properties.			
	Continue to use Work Notices under the Housing (Scotland) Act 2006.			
Continue to identify and address housing that is sub-standard, which includes housing that is below the tolerable standard with a particular focus on tenements.	Proactively undertake external visual inspections of traditional granite tenements to identify disrepair and then provide reports to owners with advice about how best to carry out the repairs.			

LHS Chapter	Equalities			
Strategic Outcome	Ensure an appropriate supply of housing, services and supply that meets the needs of those groups with protected characteristics under the Equalities Act (2010).			
Ref	Key Indicator	Baseline 16/17	Target	Frequency & Source
7.1	Equalities data on applications for Aberdeen City Council housing (Housing Lists)	White - 6,275 (94.6%) Mixed or Multiple Ethnic Background - 34 (0.5%) Asian - 95 (1.4%) Black - 76 (1.1%) Other ethnic background - 71 (1.1%) Unknown - 80 (1.2 %) Total - 6,631 (100%)	N/A	Annually Scottish Housing Regulator
7.2	Equalities data on Aberdeen City Council re-lets (new tenants)	White - 1,619 (95.5%) Mixed or Multiple Ethnic Background - 6 (0.4%) Asian - 28 (1.7%) Black - 13 (0.8%) Other ethnic background - 14 (0.8%) Unknown - 16 (0.9%) Total - 1,696 (100%)	N/A	Annually Scottish Housing Regulator
7.3	Equalities data on Aberdeen City Council (existing tenants)	White - 18,458 (85.4%) Mixed or Multiple Ethnic Background 43 - (0.2%) Asian - 206 (0.95%) Black - 105 (0.5%) Other ethnic background - 147 (0.7%) Unknown - 2662 (12.3%) Total - 21,615 (100%)	N/A	Annually Scottish Housing Regulator
7.4	Number of Gypsy/ Traveller Unauthorised Encampments	26	Reduce	Annually
7.5	Front Line Staff Equalities Training	Managing Diversity - 21 Intro to EHRIA - 10 EO and Diversity - 56	Increase	Annually

Strategic Action	Operational actions
Ethnic minority groups have access to good quality affordable housing that meet their needs, culture and lifestyle.	Ethnic minority people living in the Private Rented Sector (PRS) are provided with information and advice regarding their rights and responsibilities as a PRS tenant.
	Identify and address communication and language barriers that may be preventing access to housing.
	Ensure the allocations are provided in a fair and transparent manner.
	Provide tenancy support to Syrian New Scots in Aberdeen as part of the Syrian Resettlement Programme.
	Provide advice and assistance to those who are in financial difficulties with no recourse to public funds.
	Increase the number of permanent and transit sites available for Gypsy/ Travellers through the Local Development Plan.
	Continue to challenge prejudices that are held towards Gypsy/Traveller communities.
Ensure that ethnic minority people feel safe in their community and are not subject to anti-social or hate crime.	Work with partners to reduce risk of harassment and prejudice amongst ethnic minority people.
	Review tenant handbook and create posters for use in housing offices to ensure that harassment is not tolerated.
Promote equality with all council staff	Housing staff are trained in equalities.
Prevent and alleviate homelessness in ethnic minority groups.	Continue to provide advice to ethnic minority groups to prevent and alleviate homelessness.
	Ensure that all housing advice is available in all formats, depending on need.
Increase tenant participation from minority groups.	Organise “Conversation Cafes” specifically for ethnic minority groups.
Ensure that the local housing strategy positively influences health inequalities and health outcomes	Undertake a Health Inequalities Impact Assessment in conjunction with the public health team.



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Strategic Housing Investment Plan

2018 - 2023



1.0 Introduction

1.1 The Strategic Housing Investment Plan (SHIP) 2018/19 – 2022/23 sets out the approach by Aberdeen City Council to the investment in and delivery of affordable housing in the city. The SHIP is in accordance with the strategic outcomes contained within the Local Housing Strategy (LHS) 2012 – 2017. A new LHS is currently being prepared and should be completed in January 2018.

1.2 Following revised guidance the SHIP is to be submitted to the Scottish Government every year.

1.3 The SHIP:

- Sets out investment priorities for affordable housing
- Demonstrates how these will be delivered
- Identifies the resources required to deliver these priorities
- Enables the involvement of key partners

2.0 Strategic Context

2.1.1 City Region Deal

2.1.2 Aberdeen City Region Deal was signed by Aberdeen City Council, Aberdeenshire Council, the Scottish and UK Governments on 21st November 2016.

2.1.3 On 28th January 2016 the Scottish Government announced £20 million in infrastructure funding to unlock housing sites that are of strategic importance as well as five year certainty on £130 million of affordable housing grant to the local authorities.

2.1.4 Aberdeen City Council and Aberdeenshire Council will continue to work together to support the delivery of affordable housing. Both SHIPs will continue to be closely monitored by the local authorities and jointly with the Scottish Government to ensure the investment in affordable housing is maximised across the two Council areas.

2.2.1 Local Housing Strategy

2.2.2 The SHIP is informed by Aberdeen City Council's current Local Housing Strategy 2012-17.

2.2.3 The LHS was developed in partnership with a wide range of stakeholders with an interest in housing and was approved by the Housing & Environment Committee in August 2012. A new LHS has been under development during 2017 and is due to be presented to committee for approval in early 2018. It will cover the same period as this SHIP.

2.2.4 As the housing priorities identified below are under review as part of the LHS 2018 – 2023, an updated statement will be provided once the LHS has been adopted by the council.

- 2.2.5 The housing priorities identified in the LHS 2012 - 2017:
- To encourage the delivery of the housing supply requirement, a total of 1,250 units per annum for the next ten years.
 - This total includes the need for 415 affordable houses per annum for the next ten years to meet identified housing needs.
 - Preference for affordable housing to be social rented and 1 and 2 bedroom size, based on projections from the HNDA.
 - Ensure developer contribution to affordable housing through the Council's Affordable Housing Policy.
 - Development of a council new build housing programme especially to support regeneration areas.
 - Delivery of affordable housing by RSLs through Section 75 Agreements and their own new build programme.
 - Meet the housing needs of those with particular needs including older people, people with physical and/or learning disabilities and where applicable those needs of key workers.
 - Improve the condition of housing in the city by achieving the SHQS for public sector housing by 2015 and through the Scheme of Assistance for the private housing sector.
 - Tackle fuel poverty and improve the energy efficiency of houses across all tenures in the city.

2.3 Housing Need and Demand Assessment (HNDA)

- 2.3.1 The Aberdeen Housing Market Area housing needs have been identified through the HNDA 2011. The HNDA was developed through collaboration by Aberdeen City Council, Aberdeenshire Council and the Aberdeen City & Shire Strategic Development Planning Authority with the involvement of a range of stakeholders.
- 2.3.2 At a strategic level the HNDA informed the Strategic Development Plan, the Local Development Plan (LDP) and LHS of each local authority.
- 2.3.3 A new HNDA has been developed and was submitted to the Centre for Housing Market Analysis in September 2017. Utilising the new HNDA model the emerging position indicates that the level of need for affordable housing remain significant under every scenario modelled. The levels identified are well beyond the scope of the planning system to be able to facilitate through planning policy. The housing supply target and affordable housing target are being reviewed as part of the development of the LHS 2018 – 2023 and will be based on the findings of the revised HNDA.

3.0 SHIP priorities

3.1 The Affordable Housing Programme developed by the council details a range of affordable housing projects with RSL and Council Social Rent, RSL mid-market rent, LAR Housing Trust mid-market rent, Shaping Aberdeen Housing LLP (the joint venture between Aberdeen City Council and Places for People which will deliver mid-market rent and Low Cost Home Ownership (LCHO) properties) and housing developers will deliver LCHO properties directly.

3.2 Projects submitted have been assessed using the following criteria:

- The extent the projects help to achieve the priorities in the LHS.
- The tenure mix for the projects, preference for those with social rented housing and mid-market rent.
- Preference given to projects seeking to provide 1or 2 bedroom properties.
- Delivery dates are feasible.
- Status of planning consent and site ownership.
- As part of the assessment all sites should be in the LDP to ensure there will be no delays due to departures from the LDP.
- The overall deliverability of the project.

3.3 Projects have been placed in the actual year they could start if resources were available.

3.4 The SHIP has been developed in consultation with RSLs through meetings and by email. The RSLs were contacted at the initial development of the SHIP to discuss projects they wished to be included. An assessment of projects submitted by the RSLs was undertaken by the Council using criteria at 3.2. The RSLs consulted were:

- Castlehill Housing Association
- Grampian Housing Association
- Hillcrest Housing Association
- Langstane Housing Association
- Osprey Housing
- Places for People
- Sanctuary Housing Association

- 3.5 In addition, the council has consulted with the Affordable Housing Forum whose members include developers, RSLs and Planning Officers.
- 3.6 The SHIP tables are to be reported to the Community, Housing and Infrastructure Committee on 8th November 2017.
- 3.7 The delivery of LCHO properties where house developers are the direct delivery mechanism are also included.
- 3.8 Through the Affordable Housing Supply Programme the Scottish Government have advised of the Resource Planning Assumptions for 3 of the 5 years of this SHIP.

	RPA £ m
2018/19	16.027
2019/20	18.133
2020/21	19.436
2021/22	Not yet published
2022/23	Not yet published

- 3.9 The Affordable Housing Supply Programme will seek to maximise the delivery of affordable housing through all available housing streams. Partners will continue to investigate and implement new and innovative delivery mechanisms.
- 3.10 The delivery by the RSL sector is predicated on partnership working with house developers. The co-ordination of these developments with availability of grant funding will continue to be a significant challenge and will be essential to manage to ensure the deliverability of the programme.

4.0 Discretion to Reduce Council Tax Discount on Second Homes and Long-Term Empty Properties

- 4.1 From 1st April 2005 Ministers granted local authorities the discretion to reduce or retain the council tax discount on second homes and long-term empty properties Aberdeen City Council has used this power and the additional income is retained locally and used as grant funding for RSLs and the Council for the provision of new-build affordable social housing.

- 4.2 Income received to date and current commitments are shown below.

	£
Income	15,452,738
Paid	8,098,861
Commitment	469,141
Available Balance	6,884,736

4.3 This Council Tax Discount reduction provided an income of £1.872 million for 2016/17. Based on current void rates in both the private and public sector, projected annual income is assumed to be around this figure, but shall be closely monitored every year and assumptions adjusted accordingly. These funds are disbursed by the Communities Housing & Infrastructure Committee to support the delivery of affordable housing. As projects come forward these monies will be of particular assistance as there may not be sufficient Scottish Government funding at a particular time.

5.0 Section 75 Affordable Housing Contributions

5.1 Section 75 agreements (under section 75 of the Town and Country Planning (Scotland) Act 1997) negotiated through the planning process with housing developers may, on occasion, require that the developer makes a financial contribution toward affordable housing rather than delivering affordable housing on the specific site to which the planning permission applies. Such agreements to date have provided an income detailed below.

Section 75	£
Income received	7,787,500
Interest received (to 31.3.16)	166,910
Grants paid to RSLs	2,968,701
Commitments to RSLs	<u>1,732,967</u>
Available Balance	3,252,742

5.2 The funding received comes with a requirement to be spent within five years of receipt, with the money held in an interest bearing account.

5.3 The council has used all funds received up until May 2014. There is therefore no likelihood that any money would have to be repaid to developers, as the Council has until May 2019 to disburse the oldest funds.

6.0 Planning Policy – Affordable Housing Supplementary Guidance

6.1.1 Low Cost Home Ownership

6.1.2 As part of the planning requirements for the delivery of affordable housing, one of the delivery mechanisms is Low Cost Home Ownership. These properties are sold directly by the developer at a price discounted from the market value. The Section 75 agreement and standard security ensure the properties remain affordable through future resales. Since LCHO sales started, 115 properties have been provided. The SHIP identifies a future supply of these affordable housing units from known sites.

6.2.1 Housing Infrastructure Fund

6.2.2 The Scottish Government introduced a new five-year Housing Infrastructure Fund with up to £50m available in 2016/17.

- 6.2.3 The fund will support the delivery of housing through the use of financial assistance. While all types and tenures of housing are eligible for support, the Scottish Government has prioritised those projects delivering affordable and private rented housing within the next five years.
- 6.2.4 The fund will operate at a national level and will be managed and administered by the Scottish Government. As part of the £254m Scottish Government funding announced along with the City Region Deal, £20m of the £50m has been ring fenced to Aberdeen City and Aberdeenshire.
- 6.2.5 Local authorities were asked as part of the development of their SHIPs to identify priority housing sites that could, with support from the fund, be unlocked to bring forward housing within the next five years.
- 6.2.6 The Housing Infrastructure Fund comprises two main elements:
- Infrastructure loans (to non-public sector organisations)
 - Infrastructure grant available to local authorities and registered social landlords (RSLs) to support affordable housing delivery

7.0 Housing Market

- 7.1 The downturn in the north east economy from 2015 has had a significant impact on house prices, volumes of sales, rental values and availability of property for sale or rent on the market. This has impacted on the affordable housing market with mid-market rental properties becoming more difficult for landlords to rent in the current market.
- 7.2 House developers are adjusting their offer with a number of variations to planning consents being sought to change the housing mix on sites to include smaller properties.
- 7.3 The market changes have impacted on the delivery of the SHIP given the reliance by the RSL sector on affordable housing delivered through the Local Development Plans Affordable Housing Policy requiring new developments to provide 25% affordable housing.
- 7.4 Some sites have not progressed and others have seen slower build out rates. We have also had a number of sites where affordable housing units have come forward early in the site development with developers looking to deliver their affordable housing earlier than had been planned to offset market conditions.

8.0 Integration of Health and Social Care

- 8.1 The Public Bodies (Joint Working) (Scotland) Act 2014 came into force on 1st April 2014 with additional secondary legislation and guidance produced which resulted in the development of Aberdeen City's Housing Contribution Statement (HCS) in February 2016. The HCS now forms an integral part of the Aberdeen City Health and Social Care Partnership Strategic Plan and sets out the role of social housing providers in Aberdeen. It mirrors the content of the Local Housing Strategy 2012-17 and will assist in the alignment of future strategic planning. This development has provided opportunities to strengthen the connections between housing, health and social care, and will contribute to the achievement of many of the Scottish Government's National Health and Wellbeing Outcomes.
- 8.2 The main housing related issues currently identified through the Strategic Development Plan, HNDA, the Aberdeen City Local Housing Strategy and the Joint Strategic Needs Assessment is an expected growth in population with the greatest growth predicated to occur in the population aged 65+ with a significant proportion of older people identified as being at risk of fuel poverty. There is a lack of affordable housing and specialist housing for older people and people with mental health, learning and physical disabilities. Addressing the housing needs of young vulnerable people who are leaving care and individuals with substance misuse and mental health disorders are particularly at risk of homelessness. Alternative solutions also need to be developed to meet the Scottish Government's delayed discharge standard which was reduced to three days from April 2016.
- 8.3 Ensuring that the LHS and Strategic Plan are aligned will ensure that housing contributes to the delivery of health and social care outcomes that have been scoped through the Housing Contribution Statement and the revised Aberdeen City LHS 2018-23. It will also ensure that housing outcomes are supported through the HSCP.
- 8.4 The key challenges going forward from the Housing Contribution Statement are:
- Increase intermediate capacity through the provision of furnished intermediate step up/step down accommodation.
 - Realignment of current sheltered and very sheltered housing and progress the expansion of extra care housing provision.
 - Undertake a review of specialist housing requirements for people with mental health, learning disabilities and substance misuse.
 - Provision of resources to assist health and social care professionals to address the shortage of carers in the city.
 - Undertake a review of temporary accommodation with an aim to remodel and make provision for interim accommodation dependent on individual/household need.
 - Review the Allocations Policy to minimise time to allocate suitable properties for urgent medical priority cases and to provide for decants for homeowners whilst adaptations or sale/purchase or more suitable property proceeds.
 - Revise protocols between Housing (including RSLs) and Health & Social Care Partnership for hospital discharges.
 - Future funding of aids and adaptations in the public (especially RSLs) and private housing sectors
 - Increased costs and funding to support Telecare and Tele health systems.

8.5 Taking into consideration these change in the relationship between health and social care there is a need for the SHIP to ensure that the delivery of affordable housing takes on this agenda.

8.6 Table 1 - Years 2018/19 - 2020/21

8.6.1 This table shows there is the potential to complete 1,625 affordable units during this period. If all the projects were to go ahead there would be a requirement for grant subsidy of circa £95 million. The Resource Planning Assumption (RPA) for this period has been allocated at £53.6 million.

8.7 Table 2 - Years 2021/2 – 2022/23

8.7.1 This table shows there is the potential to complete 100 affordable units during this period. If all the projects are to go ahead there would be a requirement for grant subsidy of £5.08 million. Although there are less houses on this table, the grant costs would be higher because of the tenure mix, due to more social rented houses which attract a higher grant level. The Resource Planning Assumption (RPA) for this period has not been allocated.

8.8 Table 4 - Affordable Housing Projects Funded or Supported by Sources other than the RPA/TMDF Budget

8.8.1 This table shows there is the potential to complete 801 affordable units not funded through the AHSP during this SHIP period. The units will see a mix of social rent, intermediate rent and low cost home provided by a mix of RSL, developers and Shaping Aberdeen Housing LLP. Three projects would be delivered by RSLs, two funded by the Scottish Government out with the RPA for Aberdeen City with the third funded by Aberdeen City Council. Shaping Aberdeen Housing LLP is likely to deliver 622 units during the period.

8.9 Table 5.1- Council Tax Raised on Empty and Second Homes

8.9.1 The council continues to raise considerable funding for affordable housing through the use of Council Tax discounts on empty and second homes. Between 2015/16 and 2016/17 the council raised £3.399 million in funding through this levy for affordable housing. The fund currently has £6.88 million uncommitted funding to be used to provide additional subsidy to RSLs and Council projects.

8.10 Table - 5.2 Affordable Housing Policies (AHPs) Contributions

8.10.1 As part of Section 75 Agreements, developers can make a commuted payment in lieu of the provision of affordable housing. This funding is used to provide grant for affordable housing to RSL and Council projects. Between 2015/16 and 2016/17 a total of £1.904 million was received. When funds received during 2017/18 are included there is currently £3.252m to disburse.

9.0 Deliverability

- 9.1 As part of the monitoring deliverability of projects, the council meets on a regular basis with the Scottish Government and RSLs to ensure projects are progressing and to try to resolve any issues that arise which are slowing down or preventing delivery. Officers of the council also monitor the weekly planning applications list to ensure planning applications linked to projects are being progressed through the planning system. This also presents opportunities to inform RSLs at an early stage of potential developments they could help to deliver the affordable housing requirements.
- 9.2 Many of the projects coming forward in the SHIP are reliant on Section 75 Agreements being completed. Before this, the developers should have had discussions with RSLs on the delivery of the affordable housing requirement for the site. Most of the RSLs in Aberdeen do not have the financial capacity to compete with developers to acquire sites for their own use, therefore the SHIP is very reliant on Section 75s to deliver affordable housing.
- 9.3 The council continues its new house building programme which will see the delivery of 179 new affordable houses during 2017/18. Officers are reviewing the HRA Business Plan and will report to committee in due course on the opportunities for further council new build projects.
- 9.4 The council's joint venture with Places for People Shaping Aberdeen Housing LLP will start to deliver new housing from 2018/19.

10 Summary

Overall the SHIP 2018 – 2023 has the potential to provide up to 2,526 new affordable housing units which will make a contribution towards meeting the affordable housing needs identified in the Local Housing Strategy. This will be a considerable increase in the delivery of affordable housing which can be achieved to help meet housing needs across the city.

11 Council Approval of SHIP

The SHIP tables 2018/19 – 2022/23 are recommended for approval by the Community, Housing and Infrastructure Committee on 8th November 2017.



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Consultation



The Housing Scotland Act 2001 requires local authorities to consult on their proposed local housing strategy. There is also a statutory equality duty for local authorities to ensure that a wide range of residents are consulted on the strategy. The Scottish Housing Regulator places an obligation on councils to consult with their tenants on new or changes to any policies or strategies.

Making sure that our consultation is effective is necessary because the implementation of the local housing strategy will affect all citizens of Aberdeen. We contacted tenants, residents, community councils, the universities to capture the student population and used a range of media to ensure that the local housing strategy consultation reached out to the widest audience possible.

The first stage in the consultation process involved a series of workshops. The workshops related to each of the themed chapters within the local housing strategy. This involved engagement with council staff from different services including Planning, Housing Access, Housing Management, Asset Management and Private Sector teams.

Key partners from a variety of organisations were also consulted. These included:

- Aberdeen Health & Social Care Partnership.
- Registered Social Landlords including Castlehill Housing Association, Grampian Housing Association, Langstane Housing Association, Sanctuary Housing Association, Hillcrest Housing Association and Places for People.
- Shelter Scotland.
- The Foyer.
- NHS Grampian.
- Save Cash and Reduce Fuel (SCARF).
- Grampian Regional Equality Council.
- Cyrenians.
- Disabled Persons Housing Service.
- Bon Accord Care.
- Marywell Homeless Healthcare Centre.
- Homes for Scotland.
- Landlord Accreditation Scotland.
- Local architects and designers working in the private sector.

The workshops were held in August 2017 with the aim of agreeing the strategic outcomes and identifying the key issues and associated priorities, together with the actions required to address the issues in the local housing strategy. The six priorities were agreed as:

- Housing Supply and Place Making.
- Homelessness.
- Independent Living and Specialist Provision.
- Private Rented Sector.
- Fuel Poverty and Climate Change.
- House Condition in the Private Sector/Social Sector.

The workshops helped to develop the vision for housing across the city as well as the strategic outcomes and priorities which builds on the progress achieved over the last local housing strategy for 2012 – 2017. They reflect emerging challenges both at local and national level.

The information provided by stakeholders and partners at the workshops were incorporated into the themed local housing strategy chapters.

In addition to the consultation carried out with partners and stakeholders, all community councils in Aberdeen City were contacted and provided with information on the strategy.

Officers of the council also attended community meetings and social housing events including the Sheltered Housing Network meeting and attended the Scottish Government sponsored Housing Day in order to provide more detail on the strategy and sought the views of these groups on what the priorities and vision should be.

The draft strategy was then finalised and issued for full public consultation in early 2018. A wide range of media and communication methods were used in order to gather views on the strategy.

The following organisations were provided with information on the strategy which they could publish through their media channels. Also included, was a link to an on-line questionnaire where people could express their views on the local housing strategy.

- Aberdeen Journals.
- Scottish Housing News.
- The University of Aberdeen.
- Robert Gordon University.
- North East of Scotland College .
- Aberdeen City Council website and social media.
- Aberdeen Council of Voluntary Organisations (ACVO).
- Aberdeen and Grampian Chamber of Commerce.
- Aberdeen Health and Social Care Partnership.
- Community Councils.
- Bon Accord Care.

Our equalities team also helped in reaching ethnic minority groups. This ensured that their views were considered in developing the local housing strategy.

There were a total 54 responses to the consultation, the main outcomes include the following:



The finalised local housing strategy was presented to elected members at a committee meeting in September 2018 for their approval.

Our sincere thanks go to all who assisted us with the development of the strategy and to those who participated in the consultation.



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Equalities



Equalities Statement

Aberdeen City Council is committed to encouraging equal opportunities and diversity. The Equalities Act (2010) legally requires local authorities to have a duty to improve the equality opportunities and ensure that services do not discriminate on the following groups:

- Age.
- Disability.
- Sex.
- Gender Re-assignment.
- Pregnancy and Maternity.
- Marriage and Civil Partnership.
- Sexual orientation.
- Race.
- Religion or Belief.

We want everyone in Aberdeen to have an equal opportunity to access high quality housing and housing services and live free from discrimination and victimisation, including those who experience poverty and social disadvantage.

Our local housing strategy will ensure that we embrace the following themes:

- Elimination of unlawful discrimination.
- Advancement of equality of opportunity for people who share a protected characteristic and those who do not; and.
- Fostering good relationships between people from different groups.

Our vision will enable us to meet our legal obligation to eliminate unlawful discrimination and to deliver higher quality and more responsive housing services. It is also consistent with the vision set out in Aberdeen's Community Plan for the people of Aberdeen and reflects our commitment under Aberdeen's Local Outcome Improvement Plan.

We will create a culture that values all the differences that communities bring, and which values openness, fairness, transparency and reward and recognition based on ability and achievement only. We will strive to eliminate unlawful discrimination, prejudice, stereotyping, harassment and victimisation.

The strategy has been developed in partnership with people from a wide range of backgrounds to ensure that our strategy is as accessible and inclusive as possible.

Aberdeen City Council has considered the range of people who might be affected by the local housing strategy. The strategy has shown that this has many positive impacts on all of the equality impact groups.

Equality and Human Right Impact Assessment: The Form											
Aberdeen City Council	<p>EHRIA Please use this form to any new or revised policy, strategy, plan, procedure, report or business case – referred to as “proposal”.</p> <p>If No impact assessment is required, please complete sections 1, 6 & 7 of the form providing the evidence to support your decision.</p>										
1: Equality and Human Rights Impact Assessment - Essential Information											
Name of Proposal: Local Housing Strategy 2018 - 2023	Date of Assessment: 1st November 2017										
Service: TBA	Directorate: TBA										
Who does this proposal affect? <i>Please Tick</i>	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="padding: 2px;">Employees</td> <td style="text-align: right; padding: 2px;">✓</td> </tr> <tr> <td style="padding: 2px;">Job Applicants</td> <td style="text-align: right; padding: 2px;">✓</td> </tr> <tr> <td style="padding: 2px;">Service Users</td> <td style="text-align: right; padding: 2px;">✓</td> </tr> <tr> <td style="padding: 2px;">Members of the Public</td> <td style="text-align: right; padding: 2px;">✓</td> </tr> <tr> <td style="padding: 2px;">Other (List below)</td> <td style="text-align: right; padding: 2px;">✓</td> </tr> </table> <p>Commercial Companies, Housing Associations, House Builders, 3rd Sector</p>	Employees	✓	Job Applicants	✓	Service Users	✓	Members of the Public	✓	Other (List below)	✓
Employees	✓										
Job Applicants	✓										
Service Users	✓										
Members of the Public	✓										
Other (List below)	✓										
2: Equality and Human Rights Impact Assessment - Pre-screening											
If No impact assessment is required, please complete section 6&7 of the form providing the evidence to support this decision											
a - What are the aims and intended effects of this proposal?	<p>“All people in Aberdeen City live in good quality sustainable homes, which they can afford and that meet their needs”</p> <p>To ensure there is an adequate supply of housing across all tenures, prevent and alleviate homelessness, support people to live independently in their own homes, improve the standards in the private rented sector, tackle fuel poverty and contribute to meeting climate change targets and improve the quality of housing of all tenures across the city.</p>										

<p>b - What equality data is available in relation to this proposal?</p> <p>(Please see guidance notes)</p>	<ul style="list-style-type: none"> • Population projection - Research and Information Team ACC, National Records for Scotland (NRS) • Physical Disability - Scottish Government/Aberdeen Health and Social Care Partnership) AHSCP • Wheelchair users - Project Management and Quality Assurance - Aberdeen City Council (PM & QA) • Older people - Scottish Government S1B return data/AHSCP • Mental ill-health - Scottish Government/AHSCP • Learning Disability - Scottish Government/AHSCP • Homelessness - Scottish Government HL1 and HL3 data • Minority Ethnic Population - HNDA • Housing Need Demand Assessment
<p>c - List the outcomes from any consultation that relate to equalities and/or human rights issues e.g. with employees, service users, Unions or members of the public that has taken place in relation to the proposal.</p>	<p>Extensive engagement with specialists, housing professionals, Aberdeen Health and Social Care Partnership, local contractors, tenant participation and community groups. This has informed the LHS through workshop events, tenants meetings and through a formal consultation process. Extensive consultation has been undertaken with the following groups:</p> <ul style="list-style-type: none"> • General Public (including Aberdeen City Council Tenants) • Community Councils • Waiting list applicants • Registered Tenant Organisations • Local Housing Associations • Local House Builders • Planning • Aberdeen City Health and Social Partnership • Third Sector (Shelter, ACVO, Citizens Advice, Commissioned service providers). • Private Sector • General Public
<p>d - Financial Assessment</p> <p>If applicable, state any relevant cost implications or savings expected from the proposal.</p>	<p>Costs (£)</p> <p>Implementation cost £ <input type="text"/></p> <p>Projected Savings £ <input type="text"/></p>

e - How does this proposal contribute to the public sector equality duty: to eliminate discrimination, harassment and victimisation; advance equality of opportunity; and foster good relations?

To reflect the city’s core vision “A place where all people can prosper”, the Local Housing Strategy sets out its strategic vision and priorities for the future delivery of housing and housing related services. It identifies the specific commitments made by the Council and its key partners to deliver the outcomes within the LHS Action Plan. Our vision is:

“All people in Aberdeen City live in good quality sustainable homes, which they can afford and that meet their needs”

The provision of an adequate supply of housing across all tenures will assist in advancing equality of opportunity and foster good relations for all of those in the City who share the protected characteristics defined in s.149 of the Equality Act 2010. Similarly the provision of an adequate supply of housing will assist in the elimination of discrimination; harassment; and victimisation of those sharing the protected characteristics who are denied the opportunity to live in adequate housing.

f - How does this proposal link to the Council’s Equality Outcomes?

This proposal links to the following Equality Outcomes:

- E.O 1:** We have engaged and committed leaders, with the council and partners working together to reduce inequality, remove barriers and promote a culture of respect.
- E.O 2:** We have a clear action plan in place to deliver a human rights based culture within Aberdeen City Council.
- E.O 4:** Physical and social barriers are removed for those with a disability to access services and public space.
- E.O 6:** There is learning provision and accommodation in place to meet the needs of Gypsy/ Traveller families.
- E.O 7:** Aberdeen is a city of sanctuary with positive relations amongst Aberdeen’s diverse communities, where everyone is welcome and respected, regardless of religion, belief or background.

4: Equality Impact Assessment – Test				
What impact will implementing this proposal have on employees, service users or other people who share characteristics protected by <i>The Equality Act 2010</i>?				
Protected Characteristic:	Neutral Impact: <i>Please tick</i>	Positive Impact: <i>Please tick</i>	Negative Impact: <i>Please tick</i>	Evidence of impact and if applicable, justification where a ‘Genuine Determining Reason’* exists *(see completion terminology)
Age (People of all ages)		✓		The LHS will seek to provide sufficient housing for people of all ages, including older persons who may require specialist housing. The ongoing review process of the LHS will take place every 12 months as a minimum, and if shown to have a negative impact will be reviewed.
Disability (Mental, Physical, Sensory and Carers of Disabled people)		✓		The LHS will seek to provide sufficient housing to cater for the varying needs of people with a disability. The ongoing review process of the LHS will take place every 12 months as a minimum, and if shown to have a negative impact will be reviewed.
Gender Reassignment	✓			The ongoing review process of the LHS will take place every 12 months as a minimum, and if shown to have a negative impact will be reviewed.
Marital Status (Marriage and Civil Partnerships)	✓			The ongoing review process of the LHS will take place every 12 months as a minimum, and if shown to have a negative impact will be reviewed.
Pregnancy and Maternity	✓			The ongoing review process of the LHS will take place every 12 months as a minimum, and if shown to have a negative impact will be reviewed.
Race (All Racial Groups including Gypsy/ Travellers)	✓			Whilst overall the LHS is addressing housing need and demand it is recognised that the positive section on the provision of halting sites for the Gypsy/Travellers community is particularly challenging and may not be successful within the life of this LHS. This will be continually monitored along with all the aspects of the LHS. The ongoing review process of the LHS will take place every 12 months as a minimum, and if shown to have a negative impact will be reviewed.

Protected Characteristic:	Neutral Impact: <i>Please tick</i>	Positive Impact: <i>Please tick</i>	Negative Impact: <i>Please tick</i>	Evidence of impact and if applicable, justification where a 'Genuine Determining Reason'* exists <i>*(see completion terminology)</i>
Religion or Belief or Non-belief	✓			The ongoing review process of the LHS will take place every 12 months as a minimum, and if shown to have a negative impact will be reviewed.
Sex (Women and men)	✓			The ongoing review process of the LHS will take place every 12 months as a minimum, and if shown to have a negative impact will be reviewed.
Sexual Orientation (Heterosexual, Lesbian, Gay And Bisexual)	✓			The ongoing review process of the LHS will take place every 12 months as a minimum, and if shown to have a negative impact will be reviewed.
Other (e.g: Poverty)		✓		One of the main aims of the LHS is to alleviate fuel poverty by ensuring that new build properties are energy efficient and that existing properties are made as fuel efficient as possible and meet the EESSH. The ongoing review process of the LHS will take place every 12 months as a minimum, and if shown to have a negative impact will be reviewed.

5: Human Rights Impact Assessment Test	
Does this proposal have the potential to impact on an individual's Human Rights? Evidence of impact and , if applicable, justification where the impact is proportionate	
Article	Evidence
Article 1 of protocol 1: Right to property Yes ✓ No	Aberdeen City Council recognises that everyone has the right to the peaceful enjoyment of his/her possessions, as detailed in Article 1 of protocol 1. Where it is necessary to evict an individual from his property it is recognised that this is a negative impact on this right however such evictions will only be undertaken in accordance with Scottish Law and therefore comply with the provisions of Article 1.
Article 2 of protocol 1: Right to education Yes No ✓	
Article 3: Right not to be subjected to torture, inhumane or degrading treatment or punishment Yes ✓ No	The provision of affordable housing should assist in reducing the number of persons who are homeless or at risk of being homeless minimising inhumane and degrading treatment of homeless persons.
Article 6: Right to a fair and public hearing Yes ✓ No	The procedures for any public hearings will be in accordance with Scottish Government guidelines. In the event of an eviction being undertaken the process will be in accordance with Scottish Law. These processes will impact positively on Article 6 rights ensuring fair and public hearings are undertaken.
Article 8: Right to respect for private and family life, home and correspondence Yes No ✓	Access to a home is a fundamental right. The LHS aims to improve access to housing for the population in Aberdeen, impacting positively on Article 8 rights.
Article 10: Freedom of expression Yes No ✓	
Article 14: Right not to be subject to discrimination Yes No ✓	
Other article not listed above, please state:	

6: EHRIA Summary and Action Planning				
Report Title	Evidence			
	Local Housing Strategy			
Assessment completed	As a result of completing this assessment, what actions are proposed to remove or reduce any risks of adverse outcomes which were identified? The Action Plan which forms part of the LHS			
Identified Risk and to whom:	Recommended Actions:	Responsible Lead:	Completion Date:	Review Date:
<p>Risk of LHS impacting negatively on those sharing a protected characteristic or disproportionate interference or violation of ECHR rights.</p> <p>Lack of monitoring data capturing impact of LHS on those sharing a protected characteristic or subject to disproportionate interference or violation of their ECHR rights reducing effectiveness of monitoring process.</p>	<p>Review LHS annually.</p> <p>Develop monitoring processes.</p>	Mel Booth		Early 2019
7: Sign off				
Completed by (Names and Services):	Graeme Stuart	Communities and Housing		
	Mel Booth	Communities and Housing		
	Kevin Kelly	Communities and Housing		
	Ian Taggart	Communities and Housing		
	Calvin Cameron	Communities and Housing		
Signed off by (Head of Service):	Derek McGowan Head of Communities and Housing			
<p>Only sections 6 and 7 will be attached to the committee report</p> <p>The full EHRIA will be published on Aberdeen City Council's website under http://www.aberdeencity.gov.uk/xeq_EHRIA_Search.asp</p> <p>Please send an electronic format of the full EHRIA without signature to: SHoward@aberdeencity.gov.uk</p>				



ABERDEEN
CITY COUNCIL

Strategic Environmental Assessment



In preparing the Aberdeen City Local Housing Strategy, Aberdeen City Council as the Responsible Authority, has subjected the strategy to a Strategic Environmental Assessment (SEA) as required under the Environmental Assessment (Scotland) Act 2005.

We are required to determine whether the strategy is likely to have any significant environmental effects. A determination of likely significant environmental effects will mean that we have to undertake a full SEA and undertake statutory consultations.

When applying the relevant criteria as set out in Schedule 2 of the Act, we determined that the strategy was likely to have “no effects” or “minimal effects” on the environment. This was because the spatial implications and effects of the strategy had been fully assessed and mitigated under the SEA carried out for Aberdeen City Local Development Plan. As a result we carried out a pre-screening of the draft local housing strategy and notified the consultation authorities through the SEA Gateway on the 13th November 2017. We were informed by the SEA Gateway that if, within 10 working days, the Scottish Ministers raised no objections to our determination no further action is required.

The Scottish Ministers have not raised any objections to our determination and pre-screening.

As required under the law, there is no further action to be taken and we proceeded to complete the local housing strategy for adoption without any further SEA.



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Housing Legislation



Housing related legislation has been considered when producing the local housing strategy which includes:

Key Priority	Legislation	Impact on the LHS
All	Housing (Scotland) Act 2001	This piece of legislation places a statutory requirement on local authorities to produce a local housing strategy. The strategy must be supported by an assessment of housing provision and related services and it must be submitted to Scottish Ministers. The strategy must be kept under review. It also ensures that key stakeholders are consulted on the content of the strategy.
Housing Supply	Housing (Scotland) Act 2001	Places a statutory duty on local authorities to develop Local Housing Strategies, informed by an assessment of housing need and demand in their area.
	Scottish Planning Policy 2014	Policy states that a Strategic Housing Investment Plan for affordable housing investment should be linked to the Local Housing Strategy.
Homelessness	Housing (Homeless Persons) Act 1977	Places a statutory duty on local authorities to those that are homeless or threatened with homelessness.
	Housing (Scotland) Act 2001	Makes amendments to homeless legislation. Introduces a new statutory procedure where local authorities can request that a registered social landlord provide a home to that applicant.
	The Homeless Person's Interim Accommodation (Scotland) Regulations 2002	Legislation relating to a local authority's duty to provide temporary accommodation and not permanent accommodation under certain circumstances.
	Homelessness (Scotland) Act 2003	Makes further provisions about homelessness; to provide for the giving of notice to local authorities of proceedings for possession and enforcement of standard securities; to amend section 18 of the Housing (Scotland) Act 1988 in relation to recovery of possession of assured tenancies for non-payment of rent; and for connected purposes.

Key Priority	Legislation	Impact on the LHS
Homelessness (continued)	The Homeless Persons (Unsuitable Accommodation) (Scotland) Order 2004	Prohibits the use of bed and breakfast accommodation for families with children, except in specific circumstances.
	Prevention of Homelessness Guidance 2009	Assess extent and nature of Homelessness and produce a strategy to prevent and alleviate homelessness.
	Housing Support Services (Homelessness) (Scotland) Regulations 2012	A duty for local authorities to conduct a housing support assessment for applicants who are unintentionally homeless or threatened with homelessness and that they have 'reason to believe' need the housing support services prescribed in regulations.
	Housing (Scotland) Act 2014	Ending of Right To Buy policy to keep housing in the social sector. Extra powers to repossess property designed for special needs clients. Social landlords can now consider home ownership for applicants for housing. Provide common housing register/ maintain housing list/create Scottish Secure Tenancies.
Independent Living & Specialist Provision	Chronically Sick and Disabled Persons (Scotland) Act 1972	Establishes the principle that local authorities have a duty towards individuals who are potentially chronically sick or disabled or any person with a mental disorder, to make arrangements for various services, including equipment and adaptations.
	Public Bodies (Joint Working) (Scotland) Act 2014	Delegates housing functions to integrated health and social care partnership. In Aberdeen this includes housing support (excluding homelessness services), adaptations and garden maintenance for vulnerable people.
Private Rented Sector	Housing (Scotland) Act 1988	Introduced assured and short assured tenancy regime, tacit relocation and changes to notice to quit for tenancies in the private rented sector.
	The Civic Government (Scotland) Act 1982 (Licensing of Houses in Multiple Occupation) Order 2000	Mandatory licensing of HMO's.
	Antisocial Behaviour etc. (Scotland) Act 2004	Introduced regulation relating to private sector landlords.

Key Priority	Legislation	Impact on the LHS
Private Rented Sector (continued)	Housing (Scotland) Act 2006	Introduced the Repairing Standard, HMO licensing regime, Tenancy Deposit Scheme regulatory framework, private landlord's right of access and right to adapt properties for private rented properties.
	The Housing (Scotland) Act 2014	Introduced a First-tier Tribunal to deal with disputes in the private rented sector. It also gives local authorities new discretionary powers to tackle disrepair in the private rented sector; introduces a new regulatory framework for letting agents in Scotland; modernises site licensing for mobile homes sites with permanent residents and places other new requirements on private sector landlords.
Fuel Poverty & Climate Change	Housing (Scotland) Act 2001	Established the commitment to eradicate fuel poverty by 2016.
	Climate Change (Scotland) Act 2009	Contribute to a reduction in greenhouse gas emissions with a target of a 42% reduction by 2020.
	Energy Efficiency Standard for Social Housing (2014)	Obligation to ensure houses meet the Energy Efficiency Standard for Social Housing by 2020.
House Condition	Housing (Scotland) Act 1987	Establishes landlord's identity requirement and serious disrepair regulation.
	Tenements (Scotland) Act 2004	Introduced provisions relating to owners of properties in tenements and established the tenement management scheme in relation to decision making for repairs and maintenance.
	Housing (Scotland) Act 2006	Introduced housing renewal areas, revised tolerable standard, work notices and maintenance orders in relation to private sector housing.
	Housing (Scotland) Act 2010	Modernises the regulation of the social rented sector by establishing the independent Scottish Housing Regulator, reforming the "Right to Buy" (RTB) scheme and improving local authority powers when dealing with disrepair in privately owned homes.



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Housing Need and Demand Assessment



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ABERDEEN CITY COUNCIL

COMMITTEE	City Growth & Resources Committee
DATE	18 September 2018
REPORT TITLE	Aberdeen City's Strategic Housing Investment Plan 2019/20 – 2023/2024
REPORT NUMBER	PLA/ 18/060
DIRECTOR	
CHIEF OFFICER	Gale Beattie
REPORT AUTHOR	Mel Booth
TERMS OF REFERENCE	Purpose 4 & 5

1. PURPOSE OF REPORT

- 1.1 The purpose of this report is to seek approval of the Strategic Housing Investment Plan (SHIP) for the period 2019/20 – 2023/24 which is due to be submitted to the Scottish Government by 26 October 2018.

2. RECOMMENDATIONS

That the Committee:

- 2.1 Approve the SHIP and its submission to the Scottish Government.

3. BACKGROUND

- 3.1 The core purpose of the SHIP is to set out strategic investment priorities for affordable housing over a 5-year period to achieve the outcomes set out in the Local Housing Strategy (LHS). The SHIP reinforces the local authority as the strategic housing authority and details how investment priorities will be delivered. The SHIP should:

- Set out the investment priorities for affordable housing
- Demonstrate how these will be delivered
- Identify the resources required to deliver these priorities
- Enable the involvement of key partners.

- 3.2 The SHIP is a realistic and practical plan that rolls forward projects identified in previous SHIPs and introduces new projects. It demonstrates how, when and where Aberdeen City Council and its partners intend to deliver new affordable homes across the city. It also illustrates how a variety of funding mechanisms are maximised to ensure the delivery of the projects.

- 3.3 In line with Scottish Government guidance issued in July 2017, all local authorities are required to submit their SHIP on an annual basis. The SHIP can be updated as and when required and Committee have received regular reports seeking agreement to add sites into the SHIP which reflects continuous discussions with RSLs and developers to identify opportunities for the delivery of affordable housing. After submission of the SHIP, new opportunities will be reported to Committee as and when they arise to ensure the maximisation of the delivery of affordable housing from all available resources.
- 3.4 Aberdeen City Council, with the involvement of its key partners via the SHIP Working Group has prepared this SHIP submission. The SHIP illustrates how the council and its RSL partners will seek to deliver the city's affordable housing investment needs and priorities identified in the Aberdeen City Local Housing Strategy 2018- 2023 over a rolling 5-year planning programme. The SHIP Working Group is the Council's key working group that is responsible for development of the SHIP and the ongoing review of new and current projects through collaboration with Scottish Government via quarterly meetings.
- 3.5 The SHIP has been drafted in accordance with the Resource Planning Assumptions as provided by the Scottish Government. Overall the SHIP currently shows the potential to deliver 2,037 units in the next 5 years from grant funded development by the Council and RSLs and a further 396 units from out with the main grant funded development programme.
- 3.6 There is more certainty about projects and delivery numbers for the initial three years with the final two years showing significantly lower numbers. This will change as new projects are developed and 'windfall' opportunities arise.
- 3.7 There are projects within the current SHIP with the potential to spend £47.21m Scottish Government Grant in 2019/2020. However, the Scottish Government grant expenditure is limited to the allocated grant of £18,133m but guidance suggests that a minimum slippage factor of 25% be applied on an annual basis for 2019/20 and 2020/21.
- 3.8 Council house new build programme

Aberdeen City Council has made a commitment to build 2,000 additional council homes for social rent. Funding has been identified through the allocation of Section 75 agreements and Council Tax funds to contribute to this with business cases being prepared for each site. The development at the Summerhill Education Centre has been approved by committee and is included in this SHIP. After submission of the SHIP, new opportunities will be reported to Committee as and when they arise to ensure the maximisation of the delivery of affordable housing from all available resources and to ensure the full council house new build programme is included within the SHIP.

4. FINANCIAL IMPLICATIONS

- 4.1 There are no direct financial implications arising from the recommendations of this report. Given the extent of the affordable housing projects seeking grant funding over the next five years, all Scottish Government grant will be utilised, and any potential underspends that may be identified will be allocated.
- 4.2 Any proposal for grant funding to a Registered Social Landlord (RSL) for such a project requires to be considered against the State Aid rules. Such grants come within the ambit of the Services of General Economic Interest block exemption which permits funding to Registered Social Landlords in the area of social housing, however the service consults with Legal Services on individual cases where necessary.
- 4.3 Through the Affordable Housing Supply Programme, the Scottish Government has confirmed the Resource Planning Assumptions for 2 of the 5 years of this SHIP. However, for planning purposes, Scottish Government has advised that local authorities should use their 2020/21 RPA as the basis of funding for the final three years of this SHIP period.

	RPA £ m
2019/20	18,133
2020/21	19,436
2021/22	19,436
2022/23	19,436
2023/24	19,436

5. LEGAL IMPLICATIONS

- 5.1 There are no direct legal implications arising from the recommendations of this report.

6. MANAGEMENT OF RISK

	Risk	Low (L), Medium (M), High (H)	Mitigation
Financial	Failure to allocate fund through developer obligations may result in funds being paid back.	L	Ensure robust procedures are in place to monitor developer obligations.
Customer	Provision of affordable housing is a priority for residents of Aberdeen City Council. Failure to deliver may result in	H	Ensure the provision of affordable housing continues across the city.

	housing need and demand levels not being met. The delivery of affordable housing identified in the SHIP will significantly increase the supply of affordable housing in the city. In addition to providing new homes it will provide significant employment opportunities during the construction of the houses.		
Environment	Provision of new build affordable housing is built to current building regulations which has a reduced carbon footprint.	L	Ensure the provision of affordable housing continues across the city.
Reputational	The SHIP identifies significant opportunities for the delivery of affordable housing. The delivery of these sites require partnership working across the public and private sector. Failure to fully utilise funds may harm the council's reputation when affordable housing is much needed across the city.	L	The relationships are already well developed to deliver the positive outcomes. There is a low risk that some projects may not progress as quickly as envisaged. That said there are other opportunities which will ensure all grant is spent and the affordable housing delivered.

7. OUTCOMES

Local Outcome Improvement Plan Themes	
	Impact of Report
Prosperous Economy	The affordable housing programme represents significant investment in the city which contributes to a prosperous economy. The SHIP identifies

	significant opportunities to provide affordable housing which will assist this theme in terms of direct employment in the house construction and related sectors.
Prosperous People	Provision of good quality affordable housing can make people more resilient and protect them from harm.
Prosperous Place	Provision of affordable housing contributes to the creation of sustainable and mixed communities. The Council aims to support improvement in the local economy to ensure a high quality of life for all people in Aberdeen. The affordable housing projects currently being delivered and detailed in the SHIP provide for a wide range of housing styles and locations across the city reusing existing property, using brown field sites as well as greenfield sites.

Design Principles of Target Operating Model	
	Impact of Report
Customer Service Design	The purpose of this report is to ensure customer outcomes are maintained and services continue to be developed. As such, the provision of affordable housing seeks to maintain the council's customer focus and prevent any reputational damage.
Organisational Design	The report reflects recognition of the process of organisational design. The development of services in relation to supply of housing will support the redesign of the organisation.
Governance	The SHIP working group will lead on the development, implementation, monitoring and evaluation of the affordable housing provision across the city which will be reported to committee on an annual basis.
Workforce	Whilst the report itself doesn't directly impact on workforce, the increased supply of affordable housing may be of benefit to some of the council employees.
Partnerships and Alliances	Partnerships and alliances have been developed through working groups which lead on the delivery, implementation, monitoring and evaluation of affordable housing provision across the city. These partnerships involve all relevant partners and stakeholders, both internal and external.

8. IMPACT ASSESSMENTS

Assessment	Outcome
Equality & Human Rights Impact Assessment	EHRIA completed
Privacy Impact Assessment	Privacy Impact Assessment not required.
Duty of Due Regard / Fairer Scotland Duty	Not applicable.

9. BACKGROUND PAPERS

Previous committee reports in relation to this issue are detailed below:
 CHI 1st November 2016
 CHI 24th May 2017

10. APPENDICES (if applicable)

Appendix 1 – Strategic Housing Investment Plan 2019/20 – 2023/24
 Appendix 2 – Strategic Housing Investment Plan 2019/20 – 2023/24 Tables

11. REPORT AUTHOR CONTACT DETAILS

Mel Booth
 Senior Housing Strategy Officer
Mebooth@aberdeencity.gov.uk
 01224 523252



**Strategic Housing
Investment Plan
2019/20– 2023/24**

Contents

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3. Aberdeen City SHIP 2019-2024
4. Prioritisation
5. Consultation
6. Resources
7. Low Cost Home Ownership
8. Housing Infrastructure Fund
9. Housing Market
10. Specialist Housing Provision
11. Wheelchair Accessible Housing – Position Statement
12. SHIP Summary
13. Council Approval of SHIP

1. Introduction

1.1 The core purpose of the SHIP is to set out strategic investment priorities for affordable housing over a 5-year period to achieve the outcomes set out in the Local Housing Strategy (LHS). The SHIP reinforces the local authority as the strategic housing authority and details how investment priorities will be delivered. The SHIP should:

- Set out the investment priorities for affordable housing
- Demonstrate how these will be delivered
- Identify the resources required to deliver these priorities
- Enable the involvement of key partners.

1.2 The SHIP is a realistic and practical operational plan that rolls forward projects identified in previous SHIPs and introduces new projects. It demonstrates how, when and where the Council and its partners intend to deliver new affordable homes across the city. It also illustrates how a variety of funding mechanisms are maximised to ensure the delivery of the projects.

2. Strategic Context

2.1.1 City Region Deal

2.1.2 Aberdeen City Region Deal was signed by Aberdeen City Council, Aberdeenshire Council, the Scottish and UK Governments on 21 November 2016. On 28 January 2016 the Scottish Government announced £20 million in infrastructure funding to unlock housing sites that are of strategic importance as well as five-year certainty on £130 million of affordable housing grant to the local authorities.

2.1.3 Aberdeen City Council and Aberdeenshire Council will continue to work together to support the delivery of affordable housing. Both SHIPs will continue to be closely monitored by the local authorities and the Scottish Government to ensure the investment in affordable housing is maximised across the two Council areas.

2.2.1 Local Housing Strategy

2.2.2 The Aberdeen City Local Housing Strategy (LHS) 2018-2023 provides the strategic direction to respond to housing need and demand and informs the future investment in housing and housing related services across the city. The LHS identifies an affordable housing target of 342 homes per year in 18/19 and 19/20 and 385 per year in 20/21, 21/22 and 22/23.

2.2.3 In developing the new LHS, the Council worked in collaboration with a wide range of partners and stakeholders with an interest in housing to develop a shared vision for housing across the city. Housing plays a vital role in meeting the needs of local people and contributes to a prosperous economy.

2.2.4 The LHS sets out a framework of actions and investment with partnership working to deliver the strategic outcomes and is underpinned by the Housing Need and Demand Assessment 2017 and reflects the Aberdeen City and Shire Strategic Development Plan and the Aberdeen Local Development Plan.

2.2.5 The housing priorities identified in the LHS 2018 - 2023:

- There is an adequate supply of housing across all tenures and homes are the right size, type and location that people want to live in with access to suitable services and facilities.
- Homelessness is prevented and alleviated.
- People are supported to live, as far as is reasonably practicable, independently at home or in a homely setting in their community.
- Consumer knowledge, management standards and property condition are improved in the private rented sector.
- Fuel poverty is reduced which contributes to meeting climate change targets.
- The quality of housing of all tenures is improved across the city.

2.3 Housing Need and Demand Assessment (HNDA) 2017

2.3.1 The Aberdeen Housing Market Area housing needs have been identified through the HNDA 2017. The HNDA was developed through collaboration between Aberdeen City Council, Aberdeenshire Council and the Aberdeen City & Shire Strategic Development Planning Authority.

2.3.2 At a strategic level, the HNDA informs the Strategic Development Plan, the Local Development Plan and Local Housing Strategy of each local authority.

2.3.3 The HNDA 2017 indicates that the level of need for affordable housing remains significant. Whilst the HNDA has identified the additional houses required by tenure, these figures will not automatically become the housing supply target. A housing supply target is the Strategic Development Planning Authority's view of the type and level of housing to be delivered over the period of the strategic development plan. Although it takes aspiration into account, targets should be identified which are deliverable. As per Scottish Government guidance, when setting and agreeing the housing supply target, authorities should consider those factors which may have a material impact on the pace and scale of housing delivery such as:

- Economic factors which may impact on demand and supply in particular parts of the area.
- Capacity within the construction sector.
- The potential inter-dependency between delivery of market and affordable housing at the local level.
- Availability of resources.
- Likely pace and scale of delivery based on completion rates.
- Recent development levels.
- Planned demolitions.
- Planned new and replacement housing or housing brought back into effective use.

2.3.4 As the Strategic Development Plan and Local Housing Strategy were completed at different times, and it is the role of the Strategic Development Plan to set the housing supply target, it is only possible to provide indicative figures for the housing supply target at this stage through the Local Housing Strategy.

2.3.5 The housing supply target in the proposed Aberdeen City & Shire Strategic Development Plan utilises the principal scenario from the HNDA, modified to give a policy interpretation of current circumstances and the potential for growth in the medium to long term. This is consistent with the Regional Economic Strategy. The modified principle scenario suggests that 1,839 affordable homes are to be delivered between 2018 and 2023 across the city.

3. Aberdeen City SHIP 2019 – 2024

3.1 The Aberdeen City Affordable Housing Programme, developed by the council details a range of affordable housing projects including RSL and Council Social Rent. It also includes RSL mid-market rent and LAR Housing Trust mid-market rent as well as Low-Cost Home Ownership (LCHO) which are properties that housing developers will deliver directly.

3.2 In order to monitor the deliverability of projects, the council meets on a regular basis with the Scottish Government and RSLs to ensure projects are progressing and to try to resolve any issues that arise which are slowing down or preventing delivery. Officers of the council also monitor the weekly planning applications list to ensure planning applications linked to projects are being progressed through the planning system. This also presents opportunities to inform RSLs at an early stage of potential developments they could help to deliver the affordable housing requirements.

3.3 Many of the projects coming forward in the SHIP are reliant on Section 75 Agreements being completed. Before this, the developers should have had discussions with RSLs on the delivery of the affordable housing requirement for the site. Most of the RSLs in Aberdeen do not have the financial capacity to

compete with developers to acquire sites for their own use, therefore the SHIP is very reliant on Section 75s to deliver affordable housing.

3.4 The council continues its new build programme which has seen the delivery of 179 new affordable houses. Aberdeen City Council has made a commitment to build a further 2,000 council homes for social rent. Funding has been identified through the allocation of Section 75 agreement monies¹ and Council Tax second homes² funds to contribute to this.

3.5 Projects have been placed in the actual year they could start if resources were available.

4. Prioritisation

4.1 Projects submitted have been assessed using the following criteria:

- The extent the projects help to achieve the priorities in the LHS.
- The tenure of the projects, with preference given for those with social rented housing.
- Preference given to those projects which adequately reflect the housing need and demand for that area.
- Preference given to developments that provide specialist accommodation including wheelchair accessible and housing with supported accommodation.
- Planning consent is in place and the site is owned by the developer.
- Site is in the Local Development Plan to ensure there will be no delays due to departures from the Plan.
- The project can be delivered immediately subject to availability of resources.

5. Consultation

5.1 Aberdeen City Council, with the involvement of its key partners via the SHIP Working Group has prepared this SHIP submission. The SHIP illustrates how the council and its RSL partners will seek to deliver the city's affordable housing investment needs and priorities identified in the Aberdeen City Local Housing Strategy 2018- 2023 over a rolling 5-year programme. The SHIP Working Group is the Council's key working group that is responsible for development of the SHIP and the ongoing review of new and current projects through collaboration with Scottish Government via quarterly meetings.

¹ Section 75 agreements are provided through Section 75 of the Town and Country Planning (Scotland) Act 1997 and are negotiated through the planning process.

² From 1st April 2005 Ministers granted local authorities the discretion to reduce or retain the council tax discount on second homes and long-term empty properties

5.2 The RSLs who form part of the SHIP Working Group are:

- Castlehill Housing Association
- Grampian Housing Association
- Hillcrest Housing Association
- Langstane Housing Association
- Osprey Housing
- Places for People
- Sanctuary Housing Association

5.3 In addition to the SHIP Working Group, the council has consulted with the Affordable Housing Forum whose members include developers, RSLs and Planning Officers.

6. Resources

6.1 Through the Affordable Housing Supply Programme, the Scottish Government has confirmed the Resource Planning Assumptions for 2 of the 5 years of this SHIP. However, for planning purposes, Scottish Government has advised that local authorities should use their 2020/21 RPA as the basis of funding for the final three years of this SHIP period.

	RPA £ m
2019/20	18,133
2020/21	19,436
2021/22	19,436
2022/23	19,436
2023/24	19,436

6.2 The Affordable Housing Supply Programme will seek to maximise the delivery of affordable housing through all available housing streams. Partners will continue to investigate and implement new and innovative delivery mechanisms.

6.3 The delivery by the RSL sector is predicated on partnership working with house developers. The co-ordination of these developments with availability of grant funding will continue to be a significant challenge and will be essential to manage to ensure the deliverability of the programme.

6.4 Discretion to Reduce Council Tax Discount on Second Homes and Long-Term Empty Properties

6.4.1 From 1st April 2005 Ministers granted local authorities the discretion to reduce or retain the council tax discount on second homes and long-term empty

properties. Aberdeen City Council has used this power and the additional income is retained locally and used as grant funding for RSLs and the Council for the provision of new-build affordable social housing.

6.4.2 Income received and paid up to 31 March 2018 is shown below.

	£
Income received	16,988,012
Paid	8,098,861
Available Balance (at 31.3.18)	8,889,151

6.4.3 The Council Tax on second homes and long term empty properties provided an income of £1.535m in 2017/2018. Based on current void rates in both the private and public sector, projected annual income is assumed to be around this figure, but shall be closely monitored every year and assumptions adjusted accordingly. These funds are disbursed by the City Growth & Resources Committee to support the delivery of affordable housing. As projects come forward these monies will be of assistance as there may not be sufficient Scottish Government funding at one particular time.

6.5 Section 75 Affordable Housing Contributions

6.5.1 Section 75 agreements are provided through Section 75 of the Town and Country Planning (Scotland) Act 1997 and are negotiated through the planning process. Housing developers may, on occasion, be required to make a financial contribution towards affordable housing rather than delivering affordable housing on the specific site to which the planning permission applies.

6.5.2 Such agreements to date have provided an income as detailed at 6.5.3. Further agreements are in place to provide an anticipated income of £3.0m with around £1.0m expected to be collected during 2018/19.

6.5.3 Section 75	£
Income received	7,989,628
Interest received	168,932
Grants previously paid to RSLs	3,613,801
Available Balance (at 31.3.18)	4,544,759

6.5.4 The funding comes with a requirement to be spent within five years of receipt and must be held in an interest-bearing account. Aberdeen City Council has utilised all funds received up until July 2015. There is therefore no likelihood that any money would have to be repaid to developers, permitting Aberdeen City Council to disburse further grant up until July 2020.

7. Low Cost Home Ownership

- 7.1. As part of the planning requirements for the delivery of affordable housing, one of the delivery mechanisms is Low Cost Home Ownership. These properties are sold directly by the developer at a price discounted from the market value. The Section 75 agreement and standard security ensure the properties remain affordable through future resales. Since LCHO sales started, 120 properties have been provided. The SHIP identifies a future supply of these affordable housing units from known sites.

8. Housing Infrastructure Fund

- 8.1 The Scottish Government introduced a new five-year Housing Infrastructure Fund with up to £50m available.
- 8.2 The fund will support the delivery of housing through the use of financial assistance. While all types and tenures of housing are eligible for support, the Scottish Government has prioritised those projects delivering affordable and private rented housing within the next five years.
- 8.3 The fund will operate at a national level and will be managed and administered by the Scottish Government. As part of the £254m Scottish Government funding announced along with the City Region Deal, £20m of the £50m has been ring fenced to Aberdeen City and Aberdeenshire.
- 8.4 The Housing Infrastructure Fund comprises two main elements:
- Infrastructure loans (to non-public sector organisations)
 - Infrastructure grant available to local authorities and RSLs to support affordable housing delivery.
- 8.5 Local authorities were asked, as part of the development of their SHIPs to identify priority housing sites that could, with support from the fund, be unlocked to bring forward housing within the next five years. The City Region Deal Joint Committee has also considered the merits of the fund. No such sites have been identified. The interest rate of the loans is higher than can be obtained commercially and no sites have been identified that meet the grant eligibility criteria.

9. Housing Market

- 9.1 The downturn in the north east economy from 2015 has had a significant impact on house prices, volumes of sales, rental values and availability of property for sale or rent on the market. This has impacted on the affordable housing market with mid-market rental properties becoming more difficult for landlords to rent in the current market.

9.2 The market changes mean that some sites have not progressed or have had slower build out rates. However, there have been a number of sites where affordable housing units have come forward in the site development with developers looking to deliver their affordable housing earlier than had been planned, to offset market conditions.

10. Specialist Housing Provision

10.1 The Public Bodies (Joint Working) (Scotland) Act 2014 came into force on 1st April 2014 with additional secondary legislation and guidance produced which resulted in the development of Aberdeen City's Housing Contribution Statement (HCS) in February 2016. The HCS now forms an integral part of the Aberdeen City Health and Social Care Partnership Strategic Plan and sets out the role of social housing providers in Aberdeen. It mirrors the content of the Local Housing Strategy 2018-23 and will assist in the alignment of future strategic planning. This development has provided opportunities to strengthen the connections between housing, health and social care, and will contribute to the achievement of many of the Scottish Government's National Health and Wellbeing Outcomes.

10.2 The main housing related issues currently identified through the Strategic Development Plan, HNDA 2017, the Aberdeen City Local Housing Strategy and the Joint Strategic Needs Assessment is an expected growth in population with the greatest growth predicated to occur in the population aged 65+ with a significant proportion of older people identified as being at risk of fuel poverty.

10.3 Ensuring that the LHS and Strategic Plan are aligned will ensure that housing contributes to the delivery of health and social care outcomes that have been scoped through the Housing Contribution Statement and the Aberdeen City LHS 2018-23. It will also ensure that housing outcomes are supported through the Health & Social Care Partnership.

10.4 The key challenges going forward from the Housing Contribution Statement are:

- Provision of resources to assist health and social care professionals to address the shortage of carers in the city.
- Future funding of aids and adaptations in the public (especially RSLs) and private housing sectors.
- Increased costs/funding to support Telecare and Telehealth systems.

10.5 The Housing Contribution Statement identified actions to alleviate some of the challenges faced, these include:

- Increase intermediate capacity through the provision of furnished intermediate step up/step down accommodation.
- Realignment of current sheltered and very sheltered housing and progress the expansion of extra care housing provision.
- Undertake a review of specialist housing requirements for people with mental health, learning disabilities and substance misuse.
- Undertake a review of temporary accommodation with an aim to remodel and make provision for interim accommodation dependent on individual/household need.
- Review the Allocations Policy to minimise time to allocate suitable properties for urgent medical priority cases and to provide for decants for homeowners whilst adaptations or sale/purchase or more suitable property proceeds.
- Revise protocols between Housing (including RSLs) and Health & Social Care Partnership for hospital discharges

10.6 The Housing Contribution Statement will be refreshed and published in 2019/20. This will reflect the priorities identified within the LHS 2018-2023, Strategic Plan and the Strategic Commissioning Implementation Plan. The rapid rehousing transition plan will also be incorporated into this to ensure it forms part of the planning framework.

11. Wheelchair Accessible Housing – Position Statement

11.1 Revised SHIP guidance issued by the Scottish Government in August 2018 states that local authorities must set a realistic target for the delivery of wheelchair accessible housing across all tenures. The first step of this process is to include a position statement in the SHIP that provides details of:

- What the current evidence base is regarding the requirement for wheelchair accessible housing, including any information gaps/further work required with plans to address identified need across all tenures.
- The intended approach to increase this provision and how it will be included within the LHS and Local Development Plan.
- The number of affordable wheelchair accessible homes the local authority plans to deliver over the next 5 years.

11.2 Evidence base

11.2.1 The Housing Needs and Demand Assessment 2017 shows Aberdeen City Council has 516 wheelchair accessible properties in specialist accommodation (including sheltered and very sheltered) and 293 in 'mainstream' housing.

11.2.2 The Housing Needs Assessment Team (HNAT) assess and prioritise applicants with particular needs for Council housing. The table below shows the number of applicants and their housing requirements, including those who need fully wheelchair accessible accommodation. It shows that 929 people require ground floor accommodation, 72 require level access and 39 require full wheelchair accessible design.

	1	2	3	4	5	Total
Ground Floor	827	109	26	7	0	969
First Floor	94	33	41	9	1	178
Level access	50	18	2	2	0	72
Wheelchair access	22	14	1	2	0	39
Able for stairlift	1	1	1	1	0	4
Community Alarm recommended	6	1	0	0	0	7
Extra Bedroom	0	26	21	8	0	55
Other or multiple recommendations	796	103	32	9	0	940
Total	1796	305	124	38	1	2264

11.2.3 The Council and its partners are committed to reducing waiting lists for accessible housing by working with the design team to ensure that the needs of those who are currently on the housing waiting lists for wheelchair accessible housing are met through the new build programme.

11.2.4 There is robust information on the supply and demand for the Council's wheelchair accessible housing. Further work is required to establish the supply and demand for other sectors. Work will be undertaken with registered social landlords, developers and the Disabled Person's Housing Service (DPHS) to establish a baseline. This work will be taken forward by the Independent Living & Specialist Provision Strategic Group that has been established to deliver and monitor the Aberdeen City Local Housing Strategy's Joint Delivery Action Plan.

11.3 Approach to increase provision

11.3.1 It is widely recognised that whilst new build housing is designed to meet Housing for Varying Needs standards this does not always translate to wheelchair accessible housing.

11.3.2 Aberdeen City's Health and Social Care Partnership's Strategic Plan identifies the challenges of an ageing population and the desire to support people in a community setting. To meet these challenges an adequate supply of good quality accessible housing needs to be in place. The Housing Contribution Statement that underpins the role that housing plays will be refreshed in 2018/19.

11.3.3 The intended approach is to increase the overall provision of wheelchair accessible properties is articulated in the Local Housing Strategy 2018 – 2023. This sets a 15% target for delivery of wheelchair accessible housing.

11.3.4 The LHS sets out the priority for investment as part of the Affordable Housing Supply Programme. This is underpinned by the Housing Need and Demand Assessment 2017 and reflects the Aberdeen City and Shire Strategic Development Plan and the Aberdeen Local Development Plan.

11.4 Number of wheelchair accessible homes

11.4.1 The LHS identifies an affordable housing target of 342 homes per year in 18/19 and 19/20 and 385 per year in 20/21, 21/22 and 22/23. Our 15% target would increase the stock of wheelchair accessible properties by 276.

11.4.2 The Council plans to deliver 2000 new homes, this could deliver around 300 accessible properties. The current programme takes account of the needs of disabled people. The two sites at Smithfield and Manor Avenue due to complete in 2018/19 will provide 44 houses and 16 flats that have been designed with a ground floor bedroom and accessible shower room. This is already beginning to have an impact on the wheelchair waiting list demand.

12. SHIP Summary

12.1 The SHIP 2019 – 2024 has the potential to provide up to 2,037 new affordable housing units which will make a significant contribution towards meeting the affordable housing supply targets identified in the Local Housing Strategy. This will be a considerable increase in the delivery of affordable housing which can be achieved to help meet housing needs across the city.

12.2 Table 1 - Years 2019/20 – 2023/24

12.2.1 This table shows there is the potential to complete 2,037 affordable units during this period. If all the projects were to go ahead there would be a requirement for grant subsidy of circa £119.789 million. The Resource Planning Assumption (RPA) for this period a suggested allocation of £95.877 million.

	RPA £ m
2019/20	18,133
2020/21	19,436
2021/22	19,436
2022/23	19,436
2023/24	19,436

12.2 Tables 2 & 3

12.2.1 These tables show potential projects which may be able to claim from the Housing Infrastructure Fund. No projects have been identified.

12.3 Table 4 - Affordable Housing Projects Funded or Supported by Sources other than the RPA/TMDF Budget

12.3.1 This table shows there is the potential to complete 396 affordable units not funded through the AHSP during this SHIP period. The units will see a mix of social rent, intermediate rent and low-cost homes provided by a mix of RSL, developers and council house new build.

12.4 Table 5.1- Council Tax Raised on Empty and Second Homes

12.4.1 The council continues to raise considerable funding for affordable housing through the reducing the Council Tax discounts on empty and second homes. The Council Tax income on second homes and long term empty properties provided an income of £1.535m in 2017/18. The fund currently has circa 8.9m which has not yet been committed but is subject to committee approval to disburse the funds to the council house new build programme.

12.5 Table - 5.2 Affordable Housing Policies (AHPs) Contributions

12.5.1 As part of Section 75 Agreements, developers can make a commuted payment in lieu of the provision of affordable housing. This funding is used to provide grant for affordable housing to RSL and Council projects. In 2017/18 a total of £2.825m was received. The fund currently has circa 4.5m which has not yet been committed but is subject to committee approval to disburse the funds to the council house new build programme.

13. Council Approval of SHIP

13.1 The SHIP and the associated spreadsheets 2019/20 – 2023/24 are recommended for approval by the City Growth & Resources Committee on 18 September 2018.

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MORE HOMES DIVISION

STRATEGIC HOUSING INVESTMENT PLAN 2018/19-2022/23

LOCAL AUTHORITY:

TABLE 4 - AFFORDABLE HOUSING PROJECTS FUNDED OR SUPPORTED BY SOURCES OTHER THAN THE RPA/TMDF BUDGET

PROJECT ADDRESS	SUB-AREA	PRIORITY Low / Medium / High	GEOGRAPHIC COORDINATES (X:EASTING Y:NORTHING)	DEVELOPER	FUNDING SUPPORT SOURCE	APPROVAL DATE	UNIT STARTS					TOTAL SITE STARTS	UNIT COMPLETIONS					TOTAL UNIT COMPLETIONS	NON SG FUNDING TOTAL £0.000M	OTHER NON-AHSP SG FUNDING (IF APPLICABLE) £0.000M	TOTAL FUNDING £0.000M
							2019/20	2020/21	2021/22	2022/23	2023/24		2019/20	2020/21	2021/22	2022/23	2023/24				
Dubford	Bridge of Don, Aberdeen	High		Scotia Homes	Self Financing (Low Cost Home Ownership)		4					4		4				4			0.000
Summerhill Education Centre	Summerhill	High		Aberdeen City Council	Council Tax/Developer Obligations		369					369	0	58	198	70	43	369	Subject to tender		
Donside		Medium		Sanctuary Housing Association	Aberdeen City Council		15					15	15					15	0.728		0.728
Marchstone	Froghall Road	Medium		CHAP Homes	Self Financing (Low Cost Home Ownership)		4					4	4					4			
Friarsfield	Cults	Medium		LAR Housing Trust	Self Financing		4					4	4					4			0.000
Total							396	0	0	0	0	396	23	62	198	70	43	396	0.728	0.000	0.728

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MORE HOMES DIVISION

STRATEGIC HOUSING INVESTMENT PLAN 2018/19-2022/23

LOCAL AUTHORITY:

TABLE 5.1: COUNCIL TAX ON SECOND AND EMPTY HOMES(£0.000M)

	TAX RAISED OR IN HAND	TAX USED TO SUPPORT AFFORDABLE HOUSING	TAX CARRIED FORWARD TO SUBSEQUENT YEARS
PRE - 2016/17	13.580	6.130	7.450
2016/17	1.872	1.969	7.353
2017/18	1.535		8.888
	3.407		

TABLE 5.2: DEVELOPER CONTRIBUTIONS (£0.000M)

	SUMS			UNITS		
	RAISED OR IN HAND	USED TO ASSIST HOUSING	SUM CARRIED FORWARD TO SUBSEQUENT YEARS	AFFORDABLE UNITS FULLY FUNDED FROM CONTRIBUTIONS	UNITS PARTIALLY ASSISTED FROM CONTRIBUTIONS	UNITS TOTAL
PRE - 2016/17	£4.008	£2.302	£1.706		158	158
2016/17	£1.154	£0.308	2.552		22	22
2017/18	£2.824	£1.004	4.372		118	118
	£3.978					

Note: These tables are used to capture financial information. Details of how this has been used to fund/as housing should be contained in the text of the SHIP as described in the guidance.

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ABERDEEN CITY COUNCIL

COMMITTEE	City Growth & Resources Committee
DATE	18 September 2018
REPORT TITLE	Aberdeen City's Affordable Housing Delivery Programme
REPORT NUMBER	PLA/ 18/061
DIRECTOR	
CHIEF OFFICER	Gale Beattie
REPORT AUTHOR	Mel Booth
TERMS OF REFERENCE	Purpose 4 & 5

1. PURPOSE OF REPORT

- 1.1 The purpose of this report is to provide an update on the Aberdeen City affordable housing delivery programme.

2. RECOMMENDATIONS

That the Committee:

- 2.1 Note progress made at section 3.1 of the report in relation to the number of affordable houses completed in 2017/2018 through the affordable housing supply programme;
- 2.2 Note the current financial position at sections 3.2 & 3.3 of the report in relation to contributions for affordable housing obtained through Section 75 arrangements with developers and funds received through the reduction in the Council Tax Discount for Second Homes and Long Term Empty Properties for the delivery of affordable housing; and
- 2.3 Approve the allocation of the Section 75 and Council Tax monies detailed at section 3.4 of the report for the future delivery of affordable housing.

3. BACKGROUND

3.1 Affordable Housing Supply Programme

- 3.1.1 £12.279m was allocated to Aberdeen City Council in 2017/2018. Additional funding of £2.361m was made available in February/March 2018. The additional funding was made available through the close working relationships the Housing Strategy team has developed over many years with the Scottish

Government and Registered Social Landlords. It allowed Aberdeen City Council to draw down funds which had not been utilised in other council areas and allowed the pace of affordable housing delivery to increase which released funds for other projects in 2018/2019.

3.1.2 In 2017/2018 there were 367 affordable housing completions. This is a significant improvement on previous years. The bad weather in March delayed the completion of 58 units. These subsequently completed in April 2018 which has increased completions for 2018/2019. As at 30 July 2018, 258 affordable housing completions have taken place across the city, with 410 units projected to be completed in 2018/2019.

3.1.3 The table below shows the location, developer and type of affordable homes completed in 2017/2018.

Location	Developer	Type	No. of units
Manor Walk	ACC	Social Rent	20
Smithfield Primary	ACC	Social Rent	12
Countesswells	Castlehill	Social Rent	9
Countesswells	Castlehill	Social Rent	30
Maidencraig	Grampian	Social Rent	12
Dubford	Grampian	Social Rent	11
Mugiemoos Road	Grampian	Social Rent	17
Cloverleaf	Osprey	Social Rent	22
Countesswells	Osprey	Social Rent	31
Countesswells	Osprey	Social Rent	12
Countesswells	Castlehill	Mid-Market Rent	11
Milltimber	Grampian	Mid-Market Rent	8
Shaw Road	LAR Housing	Mid-Market Rent	15
Park Road	LAR Housing	Mid-Market Rent	28
Cloverleaf	Osprey	Mid-Market Rent	11
Countesswells	Osprey	Mid-Market Rent	12
Cloverleaf	Places for People	Mid-Market Rent	29
Craiginchies	Sanctuary	Mid-Market Rent	52
Dubford	CALA	Low Cost Home Ownership	11
Dubford	Barratt	Low Cost Home Ownership	11
Allan Park, Cove	Barratt	Low Cost Home Ownership	3
Total			367

3.2 Section 75 Agreements

3.2.1 Section 75 agreements are provided through Section 75 of the Town and Country Planning (Scotland) Act 1997 and are negotiated through the planning process. Housing developers may, on occasion, be required to make a financial contribution towards affordable housing rather than delivering affordable housing on the specific site to which the planning permission applies.

3.2.2 Such agreements to date have provided an income as detailed at section 3.2.3. Further agreements are in place to provide an anticipated income of £3.0m with around £1.0m expected to be collected during 2018/19.

3.2.3 Section 75	£
Income received	7,989,628
Interest received	168,932
Grants previously paid to RSLs	3,613,801
Available Balance (at 31.3.18)	4,544,759

3.2.4 The funding comes with a requirement to be spent within five years of receipt and must be held in an interest-bearing account. Aberdeen City Council has utilised all funds received up until July 2015. There is therefore no likelihood that any money would have to be repaid to developers, permitting Aberdeen City Council to disburse further grant up until July 2020.

3.2.5 In 2017/2018, the following payments were made through Section 75 income:

- Castlehill Housing Association (Countesswells)- £169,300
- Osprey Housing Association (Countesswells) - £189,167
- Castlehill Housing Association (Maidencraig) - £645,100

3.2.6 The additional funding was provided to RSLs to help make the projects financially viable.

3.3 Council Tax Discount on Second Homes and Long-term Empty Properties

3.3.1 The Council used its powers to reduce the Council Tax discount for these properties from 2005/2006. This income can be used by local authorities to support revenue and capital expenditure related to a range of affordable housing activity including:

- Providing new build affordable housing through Registered Social Landlords or council house new build projects;
- Bringing empty properties back into affordable housing use – including topping up or establishing an Empty Homes Loan Fund;
- Land acquisition for affordable housing development;
- Purchasing off-the-shelf houses from private developers for affordable housing use.

3.3.2 Income received and paid to date is shown below.

	£
Income received	16,998,012
Paid	8,098,861
Available Balance (at 31.3.18)	8,899,151

3.3.3 The Council Tax income on second homes and long term empty properties provided an income of £1.535m in 2017/2018. Based on current void rates in both the private and public sector, projected annual income is assumed to be around this figure, but shall be closely monitored every year and assumptions adjusted accordingly.

3.4 Allocation of Section 75 and Council Tax funds

3.4.1 There is £13,443,910m which is to be allocated for the delivery of affordable housing. It is proposed that the funding is allocated as follows:

Project	Funds (£)
Council house new build programme	13,381,560
Top up funding for Empty Homes Officer post – 2-year costs	7,350
Empty Homes Loan Fund	50,000
Advertising Low Cost Homes for Sale	5,000
Total	13,443,910

3.4.2 Council House New Build Programme

Aberdeen City Council has made a commitment to build 2,000 additional council homes for social rent. Funding has been identified through the allocation of Section 75 agreements and Council Tax funds to contribute to this with business cases being prepared for each site.

3.4.4 Empty Homes Officer

An Empty Homes Officer is being recruited on a two-year temporary basis to reflect the changing requirements of empty homes across the city and to ensure empty homes are brought back into use. The post is to be funded on a 50:50 basis with kick-starter funding from the Scottish Empty Homes Partnership. This funding allows councils to test the waters of empty homes work via a 2-year pilot project. The maximum costs for the post are £47,350 per annum which includes salary and associated staffing costs. £47,350 will be funded from the Scottish Empty Homes Partnership. £40,000 was identified at Council's budget meeting, with the remainder of the funding (£7,350) to come from Council Tax second home funds.

3.4.5 Empty Homes Loans Fund

There are currently more than 2,000 long term empty homes across the city. The Council Tax (Variation for Unoccupied Dwellings) (Scotland) Amendments Regulations 2016 allow local authorities to charge increased Council Tax on certain homes that have been empty for one year or more. The power contained in the Regulations is intended as an additional tool to help local authorities encourage owners to bring empty properties back into use, both to increase the supply of housing for those who need homes and to reduce the blight on communities caused by houses being left empty and allowed to fall into disrepair. It is therefore proposed that £50,000 is allocated to allow Aberdeen City Council to establish an empty homes loan fund with its objective being to bring empty properties back into use for those people who currently have an unmet housing need on the council's housing lists. The criteria relating to how

the scheme will operate will be developed and submitted to the relevant committee for approval.

3.4.6 Advertising Low Cost Home Ownership

Low cost home ownership units are properties sold at a reduced cost to people who are unable to purchase on the open market. New properties are provided by private developers to meet their obligation to provide an affordable contribution on each new site developed in Aberdeen. They are advertised and sold directly by the developer to people who meet the qualifying criteria set by Aberdeen City Council.

3.4.7 Resale low cost home ownership properties occasionally become available and are advertised on the Council website/Facebook/Twitter and are also emailed to people who have expressed an interest in low cost homes for sale. Each resale property is emailed to approximately 1,500 people. Due to the recent slowdown in house sales, these properties are becoming more difficult to sell through the usual means, therefore, it is proposed that £5,000 is allocated to help advertise low cost home ownership properties through local newspapers and/or ASPC. Whilst the council's template legal agreements allow for the owner of the low cost home to advertise their property for 6 weeks at their own expense, they are reluctant to do this. Owners generally expect the council to source and nominate a suitable purchaser.

3.4.8 The template legal agreements state that where the owner, after using all reasonable endeavours to conclude missives with qualifying purchasers or is unable to conclude missives with the Council/RSL to buy the low cost home, the properties can be sold on the open market subject to prescribed timescales determined in the legal agreement. Widening the scope of advertisements to include newspapers and/or ASPC will allow the council to market the properties as widely as possible with the aim of ensuring the properties remain available as low-cost homes for sale rather than be sold on the open market. This is subject to the owners' agreement and the properties would only be advertised in this way at the point in which the owner is permitted to market the properties on the open market. The timescales for this are stated in the legal agreements for each particular property. This would help prevent the properties from being sold on the open market and remain available as low cost home ownership for any subsequent purchasers.

4. FINANCIAL IMPLICATIONS

4.1 Failure to allocate developer obligations funds within the prescribed timescale may mean they need to be repaid to the developer. The Housing Strategy team closely monitors the contributions made through developer obligations to ensure the funds are fully disbursed for affordable housing.

4.2 The allocation of Section 75 funds and Council Tax Second Homes monies allows the council to increase the provision of affordable housing across the city.

4.3 The full financial implications of the report are as set out in the body of the report in Section 3.

5. LEGAL IMPLICATIONS

5.1 There are no direct legal implications arising from the recommendations of this report.

6. MANAGEMENT OF RISK

	Risk	Low (L), Medium (M), High (H)	Mitigation
Financial	Failure to allocate fund through developer obligations may result in funds being paid back.	H	Approval of the recommendations would prevent this from occurring.
Customer	Provision of affordable housing is a priority for residents of Aberdeen City Council. Failure to deliver may result in housing need and demand levels not being met.	H	Approval of the recommendations would prevent this from occurring.
Environment	Provision of new build affordable housing is built to current building regulations which has a reduced carbon footprint.	L	Approval of the recommendations would prevent this from occurring.
Reputational	Failure to fully utilise funds may harm the council's reputation when affordable housing is much needed across the city.	H	Approval of the recommendations would prevent this from occurring.

7. OUTCOMES

Local Outcome Improvement Plan Themes	
	Impact of Report
Prosperous Economy	The affordable housing programme represents significant investment in the city which contributes to a prosperous economy.
Prosperous People	Provision of good quality affordable housing can make people more resilient and protect them from harm.
Prosperous Place	Provision of affordable housing contributes to the creation of sustainable and mixed communities.

Design Principles of Target Operating Model	
	Impact of Report
Customer Service Design	The purpose of this report is to ensure customer outcomes are maintained and services continue to be developed. As such, the provision of affordable housing seeks to maintain the Council's customer focus and prevent any reputational damage.
Organisational Design	The report reflects recognition of the process of organisational design. The development of services in relation to supply of housing will support the redesign of the organisation.
Governance	The Housing supply and place-making strategic working group will lead on the development, implementation, monitoring and evaluation of the affordable housing provision across the city which will be reported to committee on an annual basis.
Workforce	Whilst the report itself doesn't directly impact on workforce, the increased supply of affordable housing may be of benefit to some of the council employees.
Partnerships and Alliances	Partnerships and alliances have been developed through working groups which lead on the delivery, implementation, monitoring and evaluation of affordable housing provision across the city. These partnerships involve all relevant partners and stakeholders, both internal and external.

8. IMPACT ASSESSMENTS

Assessment	Outcome
Equality & Human Rights Impact Assessment	Full EHRIA not required.

Privacy Impact Assessment	Privacy Impact Assessment not required.
Duty of Due Regard / Fairer Scotland Duty	Not applicable.

9. BACKGROUND PAPERS

Not applicable.

10. APPENDICES (if applicable)

Not applicable.

11. REPORT AUTHOR CONTACT DETAILS

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ABERDEEN CITY COUNCIL

COMMITTEE	City Growth and Resources
DATE	18 September 2018
REPORT TITLE	Employability One-Stop Shop
REPORT NUMBER	PLA/18/148
DIRECTOR	
CHIEF OFFICER	Richard Sweetnam
REPORT AUTHOR	Matt Lockley
TERMS OF REFERENCE	2.3

1. PURPOSE OF REPORT

- 1.1 The report provides an update on the previously proposed employability one-stop shop.

2. RECOMMENDATION(S)

That the Committee :-

- 2.1 Note the update on the proposed employability one-stop shop.

3. BACKGROUND

- 3.1 At its meeting in August 2017, Communities, Housing and Infrastructure Committee approved a report (CHI/17/197) which proposed the negotiation of a lease with Instant Neighbour (an Aberdeen-based social enterprise that runs retail units offering affordable second-hand furniture and homewares and hosting learning and employability placements) to enable the establishment of an employability one-stop shop on Union Street. The proposal envisaged that Instant Neighbour would take on the lease from the building's landlord and that the Council would sub-lease space in the building on behalf of the wider employability partnership.
- 3.2 Negotiations between Instant Neighbour, the Council and the landlord continued during late 2017 and into the spring of 2018. The premises remained an attractive proposition in terms of location and accessibility, but costs were a significant issue. Partners' ability to contribute to the funding package was limited which meant that the Council would be liable for significant costs, both in terms of paying the sub-lease (50% of the total rent / rates) and the

associated ongoing utility costs. Fit out costs were also estimated to be substantial given that the lower ground floor (which would have been the employability one-stop shop) had previously been a stock-room. In addition, the lease offered was on a 10-year basis with a review / break clause at five years – which would have been mirrored in the sub-lease arrangement.

- 3.3 Negotiations with the landlord came to a head in the spring of 2018, as other parties were interested in leasing the premises. Instant Neighbour was not in a position to commit and had a separate offer on the table for city centre premises. Given the financial implications and the extended lease requirements, officers did not consider it feasible for the Council to continue lease negotiations with the landlord as the sole partner.
- 3.4 The city's employability partnership continues to have an interest in establishing city centre one-stop premises, alongside a similar model in priority localities. Whilst partners are supportive of the principle of co-locating some services, there are significant limitations to the amount of resources that they are able to commit. More cost-effective solutions are therefore being explored, including less formal, more ad hoc arrangements (for example, at Skills Development Scotland's premises on Union Street or at Momentum's new facilities at Ruby Court). Instant Neighbour has taken on space at Union Square and there may also be opportunities for some co-location and service delivery there.

PROGRESS THROUGH POSITIVE PARTNERSHIPS

- 3.5 Members considered a report on Neighbourhood Audits, part of the Progress through Positive Partnerships employability project at their meeting in June 2018 (PLA/18/034). Further to that report, the Council has now been invited to consider an extension to the project which could secure European Social Fund resources until the end of December 2022. Officers are considering the opportunity and will bring a further report to this Committee, setting out the financial implications and benefits of extending the project, in due course.

4. FINANCIAL IMPLICATIONS

- 4.1 More cost effective solutions for the employability one-stop shop continue to be investigated, including via the Council's own estate. If any proposals require additional resources that cannot be accommodated within City Growth budgets, a further report will be brought back to this Committee.

5. LEGAL IMPLICATIONS

- 5.1 There are no direct legal implications arising from the recommendations of this report.

6. MANAGEMENT OF RISK

	Risk	Low (L), Medium (M), High (H)	Mitigation
Financial	None	NA	None
Legal	None at this stage	L	If further proposals are developed, advice will be sought from Corporate Landlord colleagues and the Council's legal team if necessary.
Employee	None	NA	None
Customer	None	NA	None
Environment	None	NA	None
Technology	None	NA	None
Reputational	None	NA	None

7. OUTCOMES

Local Outcome Improvement Plan Themes	
	Impact of Report
Prosperous Economy	None – proposal is not to proceed
Prosperous People	None – proposal is not to proceed
Prosperous Place	None – proposal is not to proceed

Design Principles of Target Operating Model	
	Impact of Report
Partnerships and Alliances	Continued work with employability partners will identify future opportunities for co-location of projects and services.

8. IMPACT ASSESSMENTS

Assessment	Outcome
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Equality & Human Rights Impact Assessment	The recommendations from this report do not require that a full Equality and Human Rights Impact Assessment is required.
Privacy Impact Assessment	Not applicable
Duty of Due Regard / Fairer Scotland Duty	Not applicable

9. BACKGROUND PAPERS

- PLA/18/034 – *Neighbourhood Audits of Regeneration Areas* – report to City Growth and Resources Committee, 19 June 2018, published
- CHI/17/197 – *Employability One-stop Shop* – report to Communities, Housing and Infrastructure Committee, 29 August 2017, published

10. APPENDICES (if applicable)

None.

11. REPORT AUTHOR CONTACT DETAILS

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ABERDEEN CITY COUNCIL

COMMITTEE	Operational Delivery City Growth and Resources
DATE	Operational Delivery: 6 September 2018 City Growth and Resources: 18 September 2018
REPORT TITLE	Alive @ 5
REPORT NUMBER	OPE/18/097
DIRECTOR	Rob Polkinghorne
CHIEF OFFICER	Mark Reilly
REPORT AUTHOR	Ross Stevenson
TERMS OF REFERENCE	Operational Delivery: Remit 3 City Growth and Resources: Remit 1.2,1.3, 2.2

1. PURPOSE OF REPORT

- 1.1 Operational Delivery Committee: to seek approval from committee to vary the operational hours of four off-street car parks in line with the “Alive @ 5” scheme, as outlined in the report.
- 1.2 **City Growth and Resources Committee:** to seek approval from committee to vary the off-street parking payment structure of four off-street car parks in line with the “Alive @5” scheme, resulting in an estimated reduction in parking income.

2. RECOMMENDATION(S)

That the Operational Delivery Committee:-

- 2.1 Approve the alteration of the charging hours of four multi storey off-street car parks, (Denburn, Chapel Street, Frederick Street, West North Street) to 8am – 5pm, Monday – Sat, unchanged on Sundays, with effect from 1 October 2018 for a 6 month trial period and instruct Chief Officer of Operations and Protective Services to implement the approved charging hours,

- 2.2 Approve the alteration of the charging hours of Marischal College off-street car park to 8am-5pm, Saturdays only, with effect from 1 October 2018 for a 6 month trial period and instruct Chief Officer of Operations and Protective Services to implement the approved charging hours,
- 2.3 Instruct the Chief Officer for Operations and Protective Services to review the progress of the trial and report back to Operational Delivery Committee on 14 March 2019.

That the City Growth and Resources Committee:-

- 2.4 Instruct the Chief Officer for Operations and Protective Services to submit the full year financial implications of continuing the Alive@5 scheme for consideration in the 2019/20 budget process.

3. BACKGROUND

- 3.1 On 6 March 2018, Council approved the budget for 2018/19. Included within this budget was an allocation of £80k for an “Alive @ 5” scheme. A Trial of Alive after Five in existing underutilised off-street car parks during evenings’ is also identified as a short-term recommendation in the Strategic Car Parking Review which is also being reported to CG&R Committee.
- 3.2 The purpose of this scheme was to provide discounted parking within the off-street car parks after 5pm, with the objective of encouraging people to stay in the city centre for longer into the evenings, improving the economic vibrancy of the area.
- 3.3 Aberdeen City Council operates 5 multi storey off-street car parks, Denburn, Chapel Street, Frederick Street, West North Street and Marischal College. Each of these car parks operates 8am-8pm Monday – Saturday, 1pm-5pm Sundays, except Marischal College car park which is currently open to the public on a part time basis Thursday, after 6pm, and at weekends, 8am – 8pm Saturdays.
- 3.4 It is proposed that the “Alive @5” proposals would alter the existing parking payment structure to vary the cost of parking after 5pm to £0. This scheme would operate for a period of 6 months allowing the officers the opportunity to monitor the impact of the scheme reporting the outcome of this back to Council for potential provision in future year budgets.

4. FINANCIAL IMPLICATIONS

- 4.1 A budget allocation of £80k has been included to offset the reduction in income over the 6 month trial period, however if this scheme is introduced on a permanent basis then this reduction in income will increase proportionately.

5. LEGAL IMPLICATIONS

5.1 There are no direct legal implications arising from the recommendations of this report.

6. MANAGEMENT OF RISK

	Risk	Low (L), Medium (M), High (H)	Mitigation
Financial	Reduced income from off-street parking operations resulting in less funds being available for the management, maintenance and enforcement of parking controls and traffic schemes within the city.	L	Proposals will be reviewed following implementation.
Legal	None		
Employee	None		
Customer	There is a risk that the provision of free parking after 5pm could result in capacity issues within these car parks at certain times during the year, limiting availability for parking to customers.	L	Proposals will be reviewed following implementation. The overall provision of parking within the city centre remains unchanged as a result of the proposals.
Environment	There is a risk that the provision of free parking could generate additional car trips into the City Centre.	L	Proposals will be reviewed following implementation.
Technology	None		
Reputational	There is a reputational risk to the Council should these proposals not be approved by Committee	L	Proposals will be reviewed following implementation.

7. OUTCOMES

Local Outcome Improvement Plan Themes	
	Impact of Report
Prosperous Economy	The recommendations of this report may have a positive impact on the economy.
Prosperous Place	The recommendations of this report are expected to have a positive impact on the city centre by reducing a potential barrier for leisure and retail activities of an evening. This will be expected to extend daytime and increase evening visits, with the additional potential to reduce peak hour congestion.

8. IMPACT ASSESSMENTS

Assessment	Outcome
Equality & Human Rights Impact Assessment	Not required
Privacy Impact Assessment	Not required
Duty of Due Regard / Fairer Scotland Duty	Not required

9. BACKGROUND PAPERS

Council Decision 6 March 2018

10. APPENDICES (if applicable)

None

11. REPORT AUTHOR CONTACT DETAILS

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ABERDEEN CITY COUNCIL

COMMITTEE	City Growth and Resources Committee
DATE	18 September 2018
REPORT TITLE	Wellington Road Multimodal Corridor Study
REPORT NUMBER	PLA/18/132
DIRECTOR	
CHIEF OFFICER	Gale Beattie
REPORT AUTHOR	Will Hekelaar
TERMS OF REFERENCE	2.2

1. PURPOSE OF REPORT

- 1.1 To advise Members of the outcomes of the Wellington Road Multimodal Corridor Study Scottish Transport Appraisal Guidance (STAG) Part 1 Report, and to gain approval to proceed to STAG Part 2 Appraisal.

2. RECOMMENDATION(S)

That the Committee:-

- 2.1 Agree the outcomes of the Wellington Road Multimodal Corridor Study STAG Part 1 Report and approve the publication of the final report on the Council website; and
- 2.2 Instruct the Chief Officer – Strategic Place Planning to conduct a STAG Part 2 Appraisal, to consider the eight options identified in the STAG Part 1 report, as detailed in section 3.4, and to report the outcomes to this Committee upon completion of the work.

3. BACKGROUND

- 3.1 Aberdeen City Council commissioned AECOM to undertake a STAG Part 1 Appraisal to identify and appraise options for improving connections for all modes of transport along the A956 Wellington Road corridor. This comprised a qualitative appraisal of a long list of potential improvement options that had been generated by a Pre-Appraisal study which was commissioned by Nestrans and completed in 2015 (available at: http://www.nestrans.org.uk/wp-content/uploads/2017/02/2015_01_21_WR_Multimodal_Corridor_Study_Final_Report.pdf).

- 3.2 In accordance with STAG, options were appraised against the Transport Planning Objectives (TPOs) agreed for the study:
1. Provide greater priority to sustainable modes of transport on the corridor and facilitate locking in the benefits of the Aberdeen Western Peripheral Route (AWPR);
 2. Facilitate efficient movement of freight on the corridor;
 3. Reduce and manage traffic demands at key pinch points on the corridor, taking cognisance of the framework provided by the Roads Hierarchy;
 4. Improve accessibility to employment and education areas on the corridor;
 5. Promote a corridor which is safe for all users; and
 6. Promote a transport corridor which supports air quality improvement strategies and improves public health.
- 3.3 Options were also appraised against the STAG criteria (Economy, Environment, Safety, Integration, and Accessibility and Social Inclusion), feasibility, affordability and public acceptability, and their fit with established policy directives, including current regional and local economic, planning and transport strategies. The study was cognisant of, and aimed to complement, existing plans and strategies (such as the City Centre Masterplan, Local Transport Strategy, Air Quality Action Plan and the Lochside Academy Safe Routes to School strategy), as well as other relevant appraisal work in progress, particularly the City Region Deal Strategic Transport Appraisal, External Transport Connections to the Bay of Nigg study and ongoing work to revise the Aberdeen Roads Hierarchy. Furthermore, public and stakeholder engagement has been a key component in the identification and refinement of options.
- 3.4 The final STAG Part 1 report was submitted in April 2018 and recommends that eight options merit further investigation and should proceed to further appraisal:
1. Strategic Cycle Improvements;
 2. Shared Bus/Heavy Goods Vehicle (HGV) Priority Lane;
 3. Souterhead Roundabout Improvements, including improved crossings;
 4. Hareness Roundabout Improvements, including improved crossings;
 5. Additional capacity between Souterhead and Hareness Roundabouts;
 6. Upgrade to dual carriageway at former HM Craiginches Prison Site;
 7. Wellington Road Bus Quality Package; and
 8. Wellington Road Corridor Right-turn/Traffic Signals Priorities Review package.
- 3.4.1 Where not specifically mentioned, all options will include consideration of the walking and cycling environment. Further detail on each is provided in the STAG Part 1 report. An Executive Summary is appended to this Committee Report, while the full STAG report can be made available on request.
- 3.5 During Part 2 Appraisal options will be further refined and subject to qualitative appraisal, with costs and benefits of each more clearly defined. Recognising that the AWPR will soon be fully open, the impacts be monitored and taken into account as the appraisal progresses. Further public and stakeholder engagement will also take place throughout the process.

3.6 At the end of STAG Part 2, the aim is to have one or more options (or packages of options) recommended for implementation, based on the degree to which they meet the TPOs and the STAG criteria. These should be deliverable and affordable, thus enabling Business Cases to be developed and funding sought for implementation. STAG is considered best practice in the appraisal of transport schemes and is an essential process for projects looking to secure government investment.

4. FINANCIAL IMPLICATIONS

4.1 Nestrans has approved £100,000 from their 2018/19 revenue budget for the STAG Part 2 Appraisal which is considered sufficient to procure the consultancy support required to undertake the appraisal work. Staff time will be required to direct and oversee the consultants' work and will be met with existing resources. There are no other financial implications at this stage.

4.2 At their meeting of 30th April 2018, Members of the Strategic Commissioning Committee approved estimated expenditure and procurement exercises in respect of all 2018/19 Nestrans-funded projects for contracts with estimated expenditure of £250,000 and above (Works) and £50,000 and above (Goods or Services). The proposed STAG Part 2 Appraisal falls into the latter category.

5. LEGAL IMPLICATIONS

5.1 The project will follow internal governance procedures and information will be shared with Nestrans on a monthly basis.

5.2 The commission will be tendered through Scotland Excel local authority procurement rules and monitored by officers in the Transport Strategy and Programmes team.

5.3 All procurement will be undertaken in line with the Council's Procurement Regulations and follow internal governance procedures.

6. MANAGEMENT OF RISK

	Risk	Low (L), Medium (M), High (H)	Mitigation
Financial	The project comes in over or under budget	L	The appointed consultant will, upon inception, submit a programme of anticipated costs and expenditure, and this will be monitored and

			updated by the consultant throughout the commission, with monthly reports submitted to the Council. Council officers will transfer this information to their own monthly Project Status Reports (PSRs) which are subject to scrutiny by the Transportation Programme Board (TPB) and subsequently shared with Nestrans on a monthly basis.
Legal	Officers breach terms of financial standing orders and other internal governance procedures.	L	Staff have been trained in project management, procurement and standing orders legislation. Staff will work closely with legal and procurement colleagues to minimise risks.
Employee	Insufficient staff resource to adequately manage the commission	M	Monthly monitoring of project using PSRs will reflect risks at earliest possible opportunity and any issues will be highlighted to the TPB.
Customer	The final outcomes / recommendations do not reflect the needs of transport users. Certain customer groups feel excluded from the decision-making process.	L	The participatory nature of STAG means that public and stakeholder engagement has taken, and will continue to take, place throughout the process and via a range of means to be as inclusive as possible. Groups representing those with protected characteristics are statutory consultees. The multimodal nature of the study means that the needs of all transport users are considered and efforts will be made to avoid disproportionately disadvantaging any particular group of users.
Environment	None identified at this stage although it is recognised that parts of Wellington Road are designated an Air Quality Management	L	Environment is a key STAG criterion against which all options are appraised. Likewise, air quality is one of

	Area (AQMA), and some of the options under consideration may impact on the River Dee Special Area of Conservation.		the objectives against which options will be appraised.
Technology	None identified.		
Reputational	If the study does not proceed, there could be reputational damage to the Council, specifically perceptions that the Council is not taking action to address air quality and congestion issues on this key corridor; to lock in the benefits of the AWPR; or to improve conditions for active travel and sustainable transport users, in accordance with the adopted Air Quality Action Plan, Local Transport Strategy and Active Travel Action Plan.	M	Proceeding with the study and communicating progress will demonstrate the Council's commitment to tackling these issues and that action is being taken.

7. OUTCOMES

Local Outcome Improvement Plan Themes	
	Impact of Report
Prosperous Economy	The study recognises the importance of Wellington Road as a key freight corridor for traffic travelling to and from both the current and future harbours and a key link to employment areas in the south of the city. It therefore aims to identify measures that allow for a more efficient movement of people and goods along the route to contribute towards achieving further economic growth. Economy is one of the STAG criteria against which options are appraised.
Prosperous People	The study aims to improve the travelling experience for all users of Wellington Road and to improve access to jobs and services, especially for those using sustainable modes of transport. At present Wellington Road is perceived as an unsafe and unpleasant environment, particularly for pedestrians and cyclists, and this is exacerbated by its designation as an AQMA. The study looks at measures to

	improve safety for all users and reduce public health risks posed by harmful emissions.
Prosperous Place	Any measures to improve safety, reduce emissions and improve air quality will benefit communities located along the corridor through the development of a safer, healthier and more welcoming environment.

Design Principles of Target Operating Model	
	Impact of Report
Customer Service Design	The appraisal is being undertaken for the benefit of all residents and businesses of, and visitors to, Aberdeen.
Governance	The project will comply with all internal governance procedures.
Partnerships and Alliances	Although led by Aberdeen City Council, the project benefits from the input of a wider client group, including representatives of Nestrans and Aberdeenshire Council. The appraisal will continue to benefit from public and stakeholder input at appropriate intervals.

8. IMPACT ASSESSMENTS

Assessment	Outcome
Equality & Human Rights Impact Assessment	Not required
Privacy Impact Assessment	Not required
Duty of Due Regard / Fairer Scotland Duty	Not applicable

9. BACKGROUND PAPERS

None.

10. APPENDICES (if applicable)

Appendix 1 Wellington Road Multimodal Corridor Study STAG Part 1 Appraisal Executive Summary

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Appendix 1: Wellington Road Multi-Modal Corridor Study STAG Part 1 Appraisal
Executive Summary

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Executive Summary

Wellington Road Multi-Modal Corridor Study STAG Part 1 Appraisal

Overview

AECOM has been commissioned by Aberdeen City Council to undertake a STAG Part 1 appraisal to define and assess options for improving strategic transport connections and active travel along the Wellington Road Corridor.

This study has been undertaken in line with Scottish Transport Appraisal Guidance (STAG) and builds upon a previous Pre-Appraisal study¹ undertaken in 2014-2015 which generated a long list of preliminary options consistent with the aims and objectives of a previous 'locking in the benefits' study of the Aberdeen Western Peripheral Route (AWPR).

This study reaffirms the principal problems, issues, opportunities and constraints associated with the Wellington Road Corridor identified at the Pre-Appraisal stage. These have been further validated through an extensive engagement exercise involving stakeholders and the public.

Building on the updated evidence base, the study considers a series of options and packages for assessment within the STAG Part 1 assessment framework. Based on the initial appraisal findings, a shortlist of improvement options is recommended for more detailed assessment at future STAG Part 2 stage.

The Wellington Road Corridor

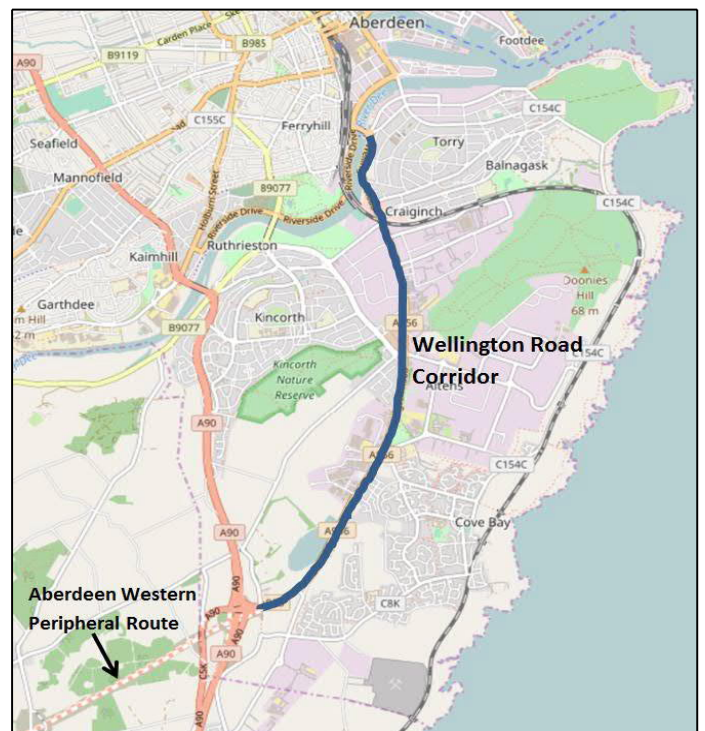
The A956 Wellington Road is a strategic corridor which links Aberdeen City centre and the wider southern extents of Aberdeen City to the A90 (South) trunk road. The corridor stretches for approximately three miles from the Charleston Interchange at the A90 (South) junction to the Queen Elizabeth Bridge, which crosses the River Dee close to Aberdeen City centre.

Problems & Opportunities

Based on a review of traffic and socio-economic trends in the study area, the local policy context, and the results from a wide-ranging public and stakeholder engagement programme, a list of problems, issues, opportunities and constraints for the study corridor has been consolidated.

Problems:

- Traffic congestion across the route, particularly during peak periods impacting on journey time reliability.
- The corridor is generally regarded as unfriendly for walking and cycling with a lack of segregation between motorised and non-motorised users.
- High levels of right-turning traffic have a negative effect on through traffic.
- Severance of communities and difficulties crossing Wellington Road for non-motorised users.
- Lack of public transport access into Altens Industrial Estate.
- Lane access issues for buses due to traffic congestion and queued back traffic.



Wellington Road Corridor – Study Area

¹ Wellington Road Pre-Appraisal Study Final Report, Nestrans 2015. Available at http://www.nestrans.org.uk/wp-content/uploads/2017/02/2015_01_21_WR_Multimodal_Corridor_Study_Final_Report.pdf

Opportunities:

- Opportunities to 'lock in' the sustainable travel benefits afforded by the AWPR, particularly in the northern section of the Corridor (based on previous transport modelling).
- Opportunities to rationalise access from side roads onto the main route, particularly where right turn manoeuvres are involved.
- Wider proposals including improvements at South College Street and Bridge of Dee, as well as the proposed Park & Ride on the A90 north of Portlethen could strengthen the case for introducing greater priority for sustainable travel modes on the corridor.
- Previous work has examined the potential of dualling the section of carriageway next to the former Craiginches Prison site, which would provide additional capacity and remove a current pinch-point on the network.

Issues:

- Wellington Road is an important freight corridor with a high volume of HGVs, and this will continue in the future. The AWPR may result in increased HGV traffic on the corridor associated with vehicles accessing the existing harbour and the new Bay of Nigg development.
- Concerns have been raised about the use of Wellington Road as a walking route to school for the new Loirston Academy.
- Journey times are forecast to reduce on the northern section of Welling Road once the AWPR opens, but are forecast to increase on the southern section.
- High volumes of traffic on side roads is considered a key contributor to congestion.
- There is growing demand in the future from key areas such as Loirston.

Constraints:

- There are a number of environmental constraints, most notably the Wellington Road Air Quality Management Area.
- Plentiful car parking for employment areas makes it more challenging to promote modal shift.
- Constraints on traffic flow posed by the operation of the bus lane at the northern end of the corridor. Road narrowing past the former Craiginches Prison site also acts as a pinch-point, constraining traffic flow.
- Geography poses engineering challenges and carriageway space is limited in some parts of the Corridor, therefore most on road cycling is not segregated from vehicular traffic.
- There is lack of connectivity/integration between local bus services and industrial estates.

Public and Stakeholder Engagement

To inform the identification of problems and opportunities on Wellington Road, an extensive engagement exercise with stakeholders and the public was undertaken in 2017. An overview of engagement approaches used is set out below.

Engagement Approach	Detail
Stakeholder Workshop	Workshop held with key officers from Nestrans, relevant ACC departments (Transport Strategy, Traffic Management, Road Projects and ITS) and Aberdeenshire Council (Transportation department), with briefing notes circulated in advance to aid discussion.
Face to Face Meetings	Meetings with key stakeholders to obtain detailed input to the study. Meetings held with Aberdeen Harbour, bus operators (First and Stagecoach), the Local Authority Bus Operator Forum (LABOF), Nestrans (Freight), the Shell Bike User Group and Aberdeen Cycle Forum. Briefing notes circulated in advance to aid discussion.
Community Council Engagement	Attendance at Cove & Altens, Kincorth and Leggart, Nigg and Torry Community Council meetings, providing a direct opportunity for groups representing local residents in the study area to have their say. Briefing notes circulated in advance to aid discussion.
Stakeholder	Emails/letters sent to over 30 individuals and organisations. Groups targeted included

Engagement Approach	Detail
Correspondence	officers within ACC and Aberdeenshire Councils, Transport Scotland, business bodies, freight groups, active travel stakeholders, emergency services, statutory bodies and vulnerable groups. Briefing notes circulated to engage and aid stakeholder response.
Business Engagement	Contact made, via the Aberdeen and Grampian Chamber of Commerce (AGCC), with AGCC members located on Wellington Road and who use the corridor on a regular basis, with comments made direct to AECOM.
Online Survey	Online survey carried out between 3 rd April and 7 th May 2017 targeting members of the public who live and work on the corridor. The survey was promoted widely in the press and social media channels, with hard copy surveys also available at key locations along the Wellington Road corridor. Approximately 200 responses were received in total.
Public Exhibition	Public exhibition held at the Aberdeen Altens Hotel on 29 th November 2017 to validate the emerging appraisal findings. The session comprised an open, evening drop-in session for members of the public. Attendees were also invited to complete a feedback survey on the day. Following the event, a three-week window was opened to allow further feedback on the exhibition materials hosted by ACC on Citizen Space, including an electronic version of the feedback form to encourage additional responses from those stakeholders unable to attend the event.

A separate Consultation Report has been produced and provides full details of the findings from the public and stakeholder activities undertaken on this study.

Transport Planning Objectives

Based on the identified problems and opportunities and informed through the consultation programme, the following Transport Planning Objectives (TPOs) have been developed for the study.

Transport Planning Objective
TPO1 – Provide greater priority to sustainable modes of transport on the Corridor and facilitate locking in of the benefits of the AWPR
TPO2 – Facilitate efficient movement of freight on the Corridor.
TPO3 – Reduce and manage traffic demands at key pinch points on the Corridor, taking cognisance of the framework provided by the Roads Hierarchy.
TPO4 – Improve accessibility to employment and education areas on the Corridor.
TPO5 – Promote a Corridor which is safe for all users.
TPO6 – Promote a transport corridor which supports air quality improvement strategies and improves public health.

Option Sifting and Development Process

The preliminary long options list developed at the Pre-Appraisal stage was further reviewed and refined to identify a shorter list of options for appraisal at STAG Part 1.

In order to sift this list into a more manageable list for the STAG 1 appraisal, further option development and sifting work was carried out focused on a review of option feasibility and deliverability, alongside a compatibility assessment of the alternative options. This was supported by an on-site audit of existing corridor infrastructure. As a result, some options were sifted out and/or packaged with other options. Options for all modes were considered; active travel, freight and road-based.

Option Appraisal

On the back of the option sifting and development process, eight retained options were taken forward for assessment in line with the requirements of STAG Part 1. Options were appraised against:

- The TPOs developed for the study;
- The five STAG criteria (Environment, Safety, Economy, Integration and Accessibility and Social Inclusion); and
- Implementability (Technical feasibility, Operational feasibility, Affordability and Public Acceptability).

A Do-Minimum scenario for the Wellington Road MMCS study area was developed, used as the basis for comparing the performance of the improvement options assessed. In line with STAG, the Do-Minimum scenario comprised all schemes and proposals under construction or for which statutory powers exist and funding is available. A summary of the performance of the improvement options against the Do-Minimum is provided below.

- **Option 1: Strategic Cycle Improvements**

Part 1 appraisal identified that the delivery of strategic cycle improvements has the potential to support several of the study TPOs offering benefits in terms of enhancing sustainable travel opportunities (consistent with the principle of “locking in” the benefits of the AWPR and prioritising active travel), improving safety for all users of the corridor and supporting air quality and public health objectives. While no significant implementability issues were identified in terms of providing off-road dual use cycleways, certain sections of the corridor may require carriageway space to be reduced or reconfigured to accommodate segregated cycle lanes, which would be the preferred approach given the composition of traffic on the route, including high HGV volumes. Generally, stakeholder consultation highlighted a desire for improved cycling conditions on the Wellington Road Corridor with exclusive use lanes considered to be more attractive relative to dual use paths. Concerns would be expected, however, from drivers should segregation require a reduction of carriageway space for road vehicles.

- **Option 2: Shared Bus / HGV Priority Lane**

The provision of a shared bus / HGV priority lane to provide greater priority for public transport and freight has been considered at two alternative levels: Alternative i) considers introduction of a shared lane between Queen Elizabeth Bridge and Souterhead Roundabout (in both directions) while Alternative ii) considers a reduced scale intervention of allowing HGVs to access existing Wellington Road bus lane. Both alternatives would support the Roads Hierarchy to some extent by prioritising active and sustainable travel (public transport). Options are considered to improve the efficiency of movement for both public transport and freight, with accompanying economic and accessibility benefits. However, in the case of providing a shared lane along the whole corridor, there are concerns that this could potentially exacerbate existing problems experienced at key pinch points associated with negative impacts on overall traffic flows due to the allocation of lanes exclusively for public transport and freight. There are also concerns about the safety of cyclists sharing space with HGVs. In terms of implementability, with the exception of the section of single-carriageway road adjacent to the former HM Craiginches Prison site (which would require to be dualled), it is considered to be technically feasible to form a shared bus and freight lane in both directions. This would however result in a reduction of general traffic space to one lane in either direction. The consultation exercise identified support for this option from bus operators and freight industry bodies, however limited support for this option emerged from the public consultation.

- **Option 3: Souterhead Roundabout Improvements + More/Better Crossings at Souterhead Roundabout**

The removal of Souterhead Roundabout to provide a fully signalised junction, including realignment works and provision of crossing points to aid the movement of non-motorised users at the junction supports a number of the TPOs identified in this study. This intervention would be expected to improve traffic flows through this key junction which currently experiences congestion, most notably at peak times. Upgrading this junction will complement the Roads Hierarchy by facilitating the movement of traffic to and from the major AWPR junction at Charleston. The Part 1 appraisal identified a number of other potential benefits including enhanced opportunities for active travel modes on the corridor and improved safety for non-motorised users, improved accessibility to the new Lochside Academy for school pupils, and potentially some positive impacts on local air quality if accompanied by improved traffic flows. There are no significant

implementability issues, however further option development would be required. This option was identified to perform positively against the public acceptability criteria, with the online survey revealing almost 40% of respondents indicated that Southerhead/Hareness improvements (collectively) was the most important option they would like to see introduced to address issues on the corridor.

- Option 4: Hareness Roundabout Improvements + More/Better Crossings at Hareness Roundabout

Option 4 involves the reconfiguration of Hareness Roundabout (removal of roundabout) to include full signalisation, junction realignment and provision of crossing points to aid the movement of non-motorised users at the junction. Similar to Option 3, this option has the potential to support several of the TPOs for this study, including improving traffic flows through this key junction which currently experiences congestion. Upgrading this junction will complement the Roads Hierarchy by facilitating the movement of traffic to and from the major AWPR junction at Charleston and the Bay of Nigg Harbour development. The option would also have beneficial impacts in terms of enhancing sustainable travel opportunities and improving safety by providing more and better crossing points at Hareness Roundabout. There are no significant implementability issues, however further option development would be required. Similar to Option 3, results from the consultation exercise indicated high levels of support for measures to address pinch points on the corridor and this option, therefore, performs positively against the public acceptability criteria.

- Option 5: Additional capacity between Southerhead and Hareness Roundabouts

This option, which involves the provision of additional capacity between Southerhead and Hareness emerged from a previous concept considered by ACC and has been introduced for consideration since the Pre-Appraisal study. The initial appraisal has assessed two alternatives; Alternative i) involves an additional road lane between Charleston Road North and Hareness Roundabout (northbound) with Alternative ii) based on the option above plus the introduction of an additional road lane between Hareness Roundabout and Southerhead Roundabout (southbound). Both variants have the potential to support a number of the TPOs for this study particularly associated with increased accessibility through improving traffic flows between key interchanges on the corridor, although careful consideration would be required to ensure increased road capacity leading to the roundabout junctions does not lead to greater queuing at the junctions themselves. Providing additional road capacity could also contravene the ethos of 'locking in the benefits', although if the additional capacity was restricted to sustainable modes, beneficial impacts could be anticipated. No significant technical or engineering challenges have been identified for this option and it performs strongly against public acceptability criteria, with 47% of online survey respondents ranking additional road capacity as the most important option to take forward to deliver improvements on the corridor.

- Option 6: Upgrade to dual carriageway at former HM Craiginches Prison Site

This option involves upgrading the current single carriageway section of Wellington Road to provide a higher capacity route by removing this current pinch-point on the network and supporting wider programmed improvements across the city. For the purposes of appraisal, this option assumes that the additional capacity between Craig Place and Polwarth Road would be available to use by all road users. Initial appraisal suggests this intervention performs positively against a number of the TPOs for this study. This option would improve traffic flow at this key pinch point on the network, supporting increased accessibility and the efficiency of movements, including freight movements. At this initial stage of assessment, no significant technical or engineering challenges associated with the provision of the additional lane have been identified however it would be recommended that further option development is undertaken at the next stage of the STAG process. Consultation revealed this option performed strongly in terms of public acceptability, with 47% of survey respondents ranking additional road capacity as the most important option to delivering improvements on the corridor, however some user groups would expect to see additional capacity assigned for sustainable modes specifically.

- Option 7: Wellington Road Bus Quality Package

The Bus Quality Package comprises an extension of the existing bus lane south prior to the signals at Balnagask road, a new southbound bus lane from the existing bus lay-by north of Grampian Place to the signalised Balnagask / Wellington Road junction (based on allocation of additional road capacity next to the former Craiginches prison site) and complementary bus service and infrastructure enhancements. Initial appraisal findings suggest this option supports

many of the study TPOs. This option provides greater priority to public transport, thus improving journey times and increasing the attractiveness of this mode of travel, consistent with the aims of locking in the benefits of the AWPR. In terms of traffic flow, there would be clear benefits to public transport users, allowing buses to bypass current pinch points on the network and improving accessibility by bus to the city centre and employment/education areas in the south of the corridor. Furthermore, this option could have positive impacts on air quality in the study area if supported by mode shift towards public transport. This option would result in a reduction of general traffic space in some areas of the corridor and aspects of the Bus Quality Package would require coordination with bus operators. However, the provision of greater bus priority along Wellington Road was not identified as a key option by public consultees (albeit bus users were under-represented in the profile of respondents in the online public consultation), though the elements within this option were generally supported by public transport stakeholders.

- Option 8: Wellington Road Corridor Right-turn / Traffic Signals Priorities Review Package

Option 8 involves the prohibition of right-turns to/from Wellington Road with review of existing signal arrangements to alleviate congestion and potential road safety issues (with specific consideration given to rationalisation of right turn manoeuvres at Abbotswell Road and Girdleness Road in particular). The initial appraisal identified that this option has the potential to support several of the study TPOs by improving traffic flows on the Wellington Road mainline and improving safety along the corridor by reducing the potential for vehicle conflicts associated with right-turn movements. However, it was identified that this option may adversely impact on accessibility to employment areas, and the efficiency of freight movements, by reducing the capability for vehicles to make cross-corridor movements. This in turn may negatively impact other junctions on the corridor e.g. Hareness Roundabout. There are no significant implementability issues associated with this option, albeit further consideration would need to be given to the impact of rerouting on other junctions, and the implications for bus routing if right turn movements at Girdleness Road were banned with it understood that some residential streets within Torry are unsuitable for large vehicles. Right-turn issues (e.g. impeding on traffic flows on Wellington Road itself) were cited across several consultation responses and discussions but, in terms of public acceptability, reducing/banning the number of right turn movements from/onto Wellington Road was not regarded as a high priority by respondents to the online survey.

Options Recommended for Further Assessment

Based on the initial appraisal of the options taken forward for assessment within the STAG Part 1 framework, it is recommended that each of the options are considered further at the STAG Part 2 stage, as summarised below.

Option/Option Alternative	Rationale for Selection
1 – Strategic Cycle Improvements	<ul style="list-style-type: none"> • Option has the potential to support several of the TPOs for this study, and complements a number of elements of the STAG and Implementability criteria.
2 – Shared Bus / HGV Priority Lane	<ul style="list-style-type: none"> • Both alternatives have the potential to support some of the TPOs for this study, and complement some elements of the STAG and Implementability criteria.
3 – Southerhead Roundabout Improvements + More/Better Crossings at Southerhead Roundabout	<ul style="list-style-type: none"> • Option has the potential to support several of the TPOs for this study, and complements a number of elements of the STAG and Implementability criteria.
4 – Hareness Roundabout Improvements + More/Better Crossings at Hareness Roundabout	<ul style="list-style-type: none"> • Option has the potential to support several of the TPOs for this study, and complements a number of elements of the STAG and Implementability criteria.
5 – Additional capacity between Southerhead and Hareness Roundabouts	<ul style="list-style-type: none"> • Both alternatives have the potential to support several of the TPOs for this study, and complement a number of elements of the STAG and Implementability criteria.
6 – Upgrade to dual carriageway at former HM	<ul style="list-style-type: none"> • Option has the potential to support several of the TPOs for this study, and complements a number of elements of the STAG and Implementability criteria.

Option/Option Alternative	Rationale for Selection
Craiginches Prison Site	<ul style="list-style-type: none"> • Provides opportunity to further appraise other potential uses of this additional capacity. The following options/scenarios recommended for further assessment assume the capacity necessary to implement them (afforded by Option 6) is in place: <ul style="list-style-type: none"> ▪ Option 1 (Strategic Cycle Improvements) – between South Esplanade West and Polwarth Road. ▪ Option 7 (Wellington Road Bus Quality Package) – Providing a new bus lane southbound to extend from the existing bus lay-by north of Grampian Place to the signalised Balnagask Road / Wellington Road junction.
7 – Wellington Road Bus Quality Package	<ul style="list-style-type: none"> • Option has the potential to support several of the TPOs for this study, and complements a number of elements of the STAG and Implementability criteria.
8 – Wellington Road Corridor Right-turn / Traffic Signals Priorities Review Package	<ul style="list-style-type: none"> • Option has the potential to support some of the TPOs for this study, and complements some elements of the STAG and Implementability criteria.

Next Steps

Going forward, it is recommended that further appraisal work is undertaken on the above options as the project moves forward to a STAG Part 2 (detailed) Appraisal stage. The following actions should be considered to facilitate this:

- Detailed transport modelling to quantify option impacts – At an early stage of the STAG Part 2 process, it is recommended that further option sifting is undertaken based on a more detailed understanding of the relative performance of the options using a modelling platform that reflects travel conditions on the post-AWPR network. Transport modelling will also assist in quantifying the scale of benefit of the interventions and their relative performance in terms of transport economic terms, which is central to appraisal at STAG Part 2 stage.
- Design / Engineering of interventions – Design work should be undertaken for those options involving alterations / additions to infrastructure on the Corridor. This will be necessary to better understand the potential impacts of options considered at STAG Part 2 stage
- Confirmation of proposals for land at former HM Craiginches Prison Site – As has been noted in this study, some options / option alternatives are predicated on the provision of additional road capacity at the former HM Craiginches Prison Site. The deliverability of additional capacity in this area would support further option appraisal work in terms of how this capacity could be utilised.
- Assessment of AWPR impacts – It is considered that there will be a need to understand how the AWPR affects Wellington Road when it opens in 2018. Cognisance of AWPR impacts will form part of setting the context for more detailed appraisal work on this corridor.

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ABERDEEN CITY COUNCIL

COMMITTEE	City Growth & Resources
DATE	18th September 2018
REPORT TITLE	2018-2048 HRA Business Plan
REPORT NUMBER	CUS/18/145
DIRECTOR	Andy MacDonald
CHIEF OFFICER	Derek McGowan
REPORT AUTHOR	Helen Sherrit
TERMS OF REFERENCE	2.2

1. PURPOSE OF REPORT

- 1.1 To present to Committee details of the strategic review of service delivery in relation to the Housing Revenue Account.

2. RECOMMENDATION(S)

That the Committee:

- 2.1 Approve the HRA Business Plan appended to this report.

3. BACKGROUND

- 3.1 Council on 22 February 2017, resolved amongst other things to instruct the Interim Director of Communities, Housing and Infrastructure to undertake a full strategic review of service delivery in relation to the Housing Revenue Account and report back to the Communities, Housing and Infrastructure Committee on 8 November 2017. It was agreed that the final report would be produced following the budget process in February 2018. This report details the result of the Strategic Review.
- 3.2 The Business Plan sets out Aberdeen City Council's plans for managing and maintaining the housing stock of over 22,000 rented properties held in the Housing Revenue Account (HRA).
- 3.3 It also addresses how the fund will be managed to ensure maximum value is achieved throughout the projected 30 year cycle. Its fundamental purpose is therefore to demonstrate and ensure the efficient use of the Authority's housing assets and rental income. The Business Plan is designed to set out the strategic goals of the Council's Housing Service and measure progress toward achieving these goals, and provides a realistic appraisal of how these strategic goals will

be achieved within the limitations of available funding and the predicted economic climate.

30 YEAR BUSINESS PLAN

- 3.4 The Business Plan (attached as Appendix A) details the following –
- 3.4.1 The context of the national, regional, and local factors affecting our provision of housing stock.
 - 3.4.2 The vision and core objectives of our housing management plans that are linked to the strategic aims of the Local Outcome Improvement Plan (LOIP) and other strategies and policies affecting our service.
 - 3.4.3 An assessment of our housing management and maintenance in terms of asset management, how we work, our service performance, tenant participation and partnership working.
 - 3.4.4 Our financial plans to provide a realistic assessment of our potential to meet our objectives within the limitations of funding available.
 - 3.4.5 Our improvement plans and actions to work towards meeting our vision and core objectives.

4 FINANCIAL IMPLICATIONS

- 4.1 All financial implications are contained within the Business Plan they relate to specifically to the 30 year Financial Plan which contains assumptions on rental and debt levels, capital and revenue expenditure.

5 LEGAL IMPLICATIONS

- 5.1 There are no direct legal implications arising from the recommendations of this report.

6. MANAGEMENT OF RISK

	Risk	Low (L), Medium (M), High (H)	Mitigation
Financial	Costs will increase and unsustainable due to assumptions within the 30 year Financial plan not being realistic or that they are not achieved.	M	Review plan on an annual basis
Legal	None identified.		

Employee	If the plan is not implemented employee morale is reduced since the plan for managing and maintaining the housing stock will not be fully demonstrated.	M	All staff advised of the Housing Business Plan where required.
Customer	There is a risk that the customer benefit from the council is compromised if resources are misdirected and don't achieve the strategic goals of the Council's Housing Service.	L	All staff advised of the Housing Business Plan where required.
Environment	None.		
Technology	None.		
Reputational	Without an appropriate Business Plan the Council's reputation as an effective and responsible social landlord could be questioned.	L	All staff and Elected Members advised of the Housing Business Plan where required.

7 OUTCOMES

Local Outcome Improvement Plan Themes	
	Impact of Report
Prosperous People	Recognising that good quality Housing is a key driver of Public Health and can affect the wellbeing of tenants in all areas of life including educational attainment, employment, and physical and mental health.
Prosperous Place	A core aspect of the interim structure of the Early Intervention and Community Empowerment structure and culture is community sustainability, and the management of the Housing Revenue Account, is important in this context.
Prosperous Economy	The purchasing power of the HRA creates a positive impact on the economy.
Enabling Technology	Recognising the benefit of digitisation to support efficient networking, communication and learning will improve how technology is enabled for staff and citizens.

Design Principles of Target Operating Model	
	Impact of Report
Customer Service Design	Housing Business Plan does align to networking, communication and learning opportunities that support customer service design e.g. early intervention and prevention, data management and are aligned to good customer service.
Organisational Design	This promotes quality relationships between tenants and the Council - a landlord. This is a core aspect of the interim structure of the Early Intervention and Community Empowerment structure and culture.
Governance	This continues robust management of the HRA account.
Workforce	Housing Business Plan should align with workforce principles e.g. flexibility and empowerment.
Process Design	The Business Plan should be effective in enabling the most efficient method to be used, ensuring responsibility and accountability for travel costs and an objective consideration of the cost/benefit of travel is undertaken.
Technology	Business Plan priorities should maximise effective use of technology.
Partnerships and Alliances	Business Plan priorities should maximise the opportunity benefit of partnering eg combined housing list.

8 IMPACT ASSESSMENTS

Assessment	Outcome
Equality & Human Rights Assessment	Not required.
Privacy Impact Assessment	Not required.
Duty of Due Regard / Fairer Scotland Duty	Not applicable.

9 BACKGROUND PAPERS

Contained within the Appendix.

10 APPENDICES (if applicable)

Appendix A: 2018-2048 Housing Revenue Account Business Plan 2018-2048

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Housing Revenue Account Business plan 2018-2048



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1 Executive Summary

Introduction

- 1.1 This document sets out Aberdeen City Council's plans for managing and maintaining its housing stock of over 22,000 rented properties held in the Housing Revenue Account (HRA). It captures the financial framework within which the fund will be managed to ensure maximum value is achieved throughout the projected thirty year cycle.

1.2 Its fundamental purpose is therefore to demonstrate and ensure the efficient use of the Authority's housing assets and rental income, and how we will ensure high quality customer services for tenants. The Business Plan is designed to set out the strategic goals of the Council's Housing Service and measure progress toward achieving these goals, provides a realistic appraisal of how these strategic goals will be achieved within the limitations of available funding and the predicted economic climate.

Key Findings

1.3 The Business Plan details the following:

- the context of the national, regional, and local factors affecting our provision of housing stock (Section 2)
- the vision and core objectives of our housing management plans that are linked to the strategic aims of the Local Outcome Improvement Plan (LOIP) and other strategies and policies affecting our service (Section 3)
- an assessment of our housing management and maintenance in terms of asset management, how we work, our service performance, tenant participation and partnership working (Section 4)
- our financial plans to provide a realistic assessment of our potential to meet our objectives within the limitations of funding available (Section 5)
- our improvement plans and actions to work towards meeting our vision and core objectives

1.4 The vision and objectives, linked to the LOIP:

Prosperous Place:

To manage and maintain our housing stock to create a place where all people can prosper.

Prosperous People:

To operate a sustainable HRA into the future that provides fair, accessible and high quality services to be delivered to our tenants and applicants at an affordable cost, demonstrating value for money while improving our staff experience, customer experience and use of resources.

Main objectives for the Housing service are as follows:

Prosperous Place:

Main objectives for the Housing service are as follows:

- We will ensure council housing that is affordable is available as part of a mix of market property types.

- We will create an attractive and welcoming environment for our tenants in partnership with our communities
- We will support community capacity building through the use of technology
- We will manage our assets making best use of resources to support investment in our properties, estates and communities
- We will embrace best practice in improving our housing services and improve the tenant experience
- We will provide efficient and effective housing management and maintenance services for the benefit of our tenants and staff
- We will enable tenants and residents to have influence over the way we manage services and set priorities.
- We will work with community partners to improve outcomes for our tenants

Prosperous People:

- We will respond robustly and proportionately to concerns about the well being and vulnerability of tenants and their risk of harm
- We will seek to reduce the risk of harm by increasing individual and community resilience to vulnerability
- We will empower tenants to feel they have real and meaningful choice and control over their own lives
- We will prevent and reduce the incidence of crime, disorder and antisocial behaviour and ensure our tenants are safe and feel safe

1.5 The 30-year Business Plan shows that the HRA is in a strong financial position and projects a working balance of £63m at the end of the 30-year period. However, in the context of the sensitivities and assumptions over that timeframe, that is a reasonable contingency projection.

1.6 The Business Plan is intended to be easily accessible to stakeholders. It provides information to demonstrate that

- the Council has a clear strategic direction for Housing services
- that the associated financial position of the service to deliver this is understood, refreshed and current
- key actions are clear to our tenants and customers, our staff, the public, our colleagues and partner agencies, and to external scrutiny bodies.

1.7 That projection is based on a smoothed rent increase of RPI (estimated at 2%) plus 1% over the 30-year period. It is recognised that keeping social housing rent increases to a practical minimum is important. However, as tenant rent is the primary income stream to ensure that there is an appropriate level of investment in the housing stock, and to manage the outstanding debt, this is felt to be a suitable assumption. Housing benefit/Universal Credit will reduce the impact of the rises for the most vulnerable tenants.

1.8 Debt per unit at Year 1 £8,795, at Year 5 £11,284 and Year 10 £11,621. Debt charge as a percentage of rental income per year reduces from a maximum of 28% to a minimum of 15% within the 30 year period.

1.9 Over the 30-year period, it is anticipated that there will be investment of £1.455bn of capital expenditure (including three approved sites of new build) that averages at £66k per property. The council's asset management plan is being updated to reflect changes being driven by local and national policy. This means that whilst component replacements are included in the plan, while new structural and environmental options and major changes of use are that the Council is not aware of are not currently in the plan.

1.10 There are also a number of current national considerations, such as improving environmental efficiency in properties, and a review of the fire safety and regulatory framework for high rise domestic buildings as a result of Greenfell, that will develop and we will need to monitor these and ensure that this Business Plan is updated as required, to ensure an ongoing and thorough assessment of affordability is made. Additional details are included in section 4.

1.11 The political commitment to build an additional 2,000 homes in an additional driver to continually refresh both the financial and asset management plans. The appointed financial consultants Arneil Johnston have updated the 30 year financial plan and reviewed the financial capacity of the HRA to develop new build housing. Affordability is dependent on actions that achieve reducing the unit build cost, obtaining Scottish Government Grant and maintaining rental increases at a minimum of 3% (RPI +1%).

1.12 The cost of housing management is currently £322.98 per year per property. A review of Aberdeen City Council's Housing Service was completed in December 2017 by Housemark Scotland, which contained recommendations for updating and improving the service. Where possible these recommendations have been factored into the Case for Change Transitional Structure. A wider range of benchmarking data is also now available to the service through Housemark, with the opportunity to view and compare with other social housing providers across the UK. This provides opportunities to understand best practice in the field and identify where there are improvements in efficiency and value for money in using the HRA. Also it is anticipated that there could be efficiencies made by digital improvements and process improvements, with any efficiency savings being reinvested in improving the customer experience.

1.13 The housing management assessment shows:

Strong:

- High levels of satisfaction with repairs and maintenance service.
- Positive practice was identified in the CCTV monitoring of Multi Storey Blocks.
- High percentage of stock meeting Energy Efficiency Standard for Social Housing (EESH) and Scottish Housing Quality Standard (SQHS) standards compared to our peer group.
- Low cost of Housing Management per property.
- Commitment of staff and managers and their enthusiasm for change and service improvement.

Room for improvement:

- Levels of tenant satisfaction indicators with overall service, information and participation, and neighbourhood management
- Customer focussed processes and rent arrears recovery
- Cost of void property repairs
- Void property waiting time remains well above average

- Void letting standards

Comprehensive improvement plans are set out in section 6 to this report.

1.14 This document builds on a starting point of the 30-year HRA financial plan to ensure it reflected the current budgeted HRA revenue expenditure, capital investment and debt position this was carried out in August 2018. The financial model enables us to look at short, medium and long-term projections of the HRA and to test a number of scenarios such as the affordability of new build. We also carried out sensitivity analysis of the impact of changes to inflation, bad debt and voids. While this produces a 30-year long term picture, for planning purposes we are focussing on a five-year window with ongoing annual review. Summarised information from this plan is shown in Appendix 7.

Conclusions

1.15 The HRA can demonstrate financial viability over the 30-year life of the Business Plan.

1.16 Service improvements are required in such areas as Housing Management to manage the introduction of Welfare Reform/Universal Credit, and improve Voids Management and Tenancy Sustainability to ensure the long-term viability is achieved.

1.17 The financial modelling enables the Council to be clear about the financial demands on the HRA over the short to medium term are the maintenance of the existing Housing stock, managing debt and maintaining reasonable rent increases. All new build requires additional borrowing as funding from Scottish Government or Council tax/ developers contributions will only cover a proportion of the total costs. In order to meet capital investment requirements around being affordable, sustainable and prudent the scope for new build projects needs to be developed in light of these requirements.

1.18 The Business Plan will be reviewed annually and updated for any significant change to the investment plan and reported to the relevant committee through the Budget Process.

2 Context

2.1 Appendix 1 sets out a wide range of factors impacting on the Scottish Housing environment and hence the ACC Housing Revenue Account. The key elements are explored below.

The Economy

2.2 Aberdeen is like no other place in Scotland. The City has benefited greatly from the prosperity brought by the oil and gas industry and many people and communities have enjoyed positive outcomes as a result. Whilst the rest of Scotland suffered badly during the global financial crisis in 2008, Aberdeen was relatively untouched by the recession. But eight years on, when the rest of the UK economy is recovering, Aberdeen has undergone a rebalancing of its economy due to lower oil prices and the focus now is on economic diversification, recognising the inherent volatility in the oil price and the maturity of the North Sea basin.

2.3 Despite the past economic vibrancy provided by the oil and gas sector, there are still significant levels of deprivation in the City and some localities have not seen much benefit from the wealth generated through the oil and gas sector. For decades some communities have endured poor outcomes, with little opportunity for social and economic mobility. This has galvanised a renewed focus on inclusive economic growth, which is at the heart of the Community Planning partnership and the Local Outcome Improvement Plan for the city.

2.4 Due to the historical success of the City, workers in Aberdeen benefit from average salaries that are almost £6,000 higher than the Scottish average, and unemployment levels are low. Some of the most affluent areas of Scotland are within Aberdeen City, but equally within the City boundaries are some of Scotland's most deprived areas. In 2016, twenty-two of the 283 data zones within Aberdeen were within the 20% most deprived areas in Scotland.

2.5 Most children that are living in poverty are living in a working household. Aberdeen has 49 larger administrative areas called intermediate zones. The Scottish Index of Multiple Deprivation (SIMD) is the Scottish Government's official tool for identifying small area concentrations of multiple deprivation across Scotland. Eight of Aberdeen's neighbourhoods are recognised as deprived on this basis, these are listed below alongside the overall % of HRA stock.

- Torry 4.72% □ Middlefield 2.31%
- Tillydrone 7.52% □ Heathryfold 0.64%
- Seaton 5.57% □ Northfield 4.38%
- Woodside 5.69% □ Mastrick 6.63%

The highest density of the HRA stock is within these areas.

2.6 It is also clear that many of our tenants face difficult financial circumstances as a result of debt, unemployment, slower than normal wage growth and for some the impact of the Welfare Reform programme. Rising fuel costs over recent years have also put significant

additional pressure on many household budgets, particularly for those living on the state pension or dependent on other benefits. The HRA has in part mitigated some of the impact of fuel poverty for tenants through the heat with rent scheme.

Demand for Our Housing

- 2.7 Due to the downturn in the Oil industry which has led to a net out migration of -4.5% in 2016/17(2017 National records of Scotland) there has been a decreasing demand for property. This has reduced private sector rent levels considerably and property prices fell, which may serve to push some households towards negative equity. This creates potential risks of deterioration and abandonment of properties. Macro-economically the historically low interest rates are projected to be subject to increases, which may affect affordability for households and could lead to unfortunate cumulative effects for households already coping with unemployment and negative equity.
- 2.8 As at July 2018 we have 6,113 applicants waiting for housing including around 520 homeless households. We let 2017 properties in 2017/18 and have let 775 properties this year to end of July 2018.
- 2.9 Demand as at July 2018 for each size of property from those on the housing lists is illustrated in the following table. A number of applicants appear twice in the table below as they may be on more than one list which explains the difference in the number on the housing lists, from the figure given above.

Number of Bedrooms	ACC DISCRETION/COMMITTEE	URGENT REHOUSING LIST	SUPPORT LIST	WAITING LIST	TRANSFER LIST	Sum:
1	91	476	1,150	2050	544	4,311
2	13	70	21	694	382	1,180
3	13	20	0	324	413	770
4	0	3	0	40	86	129
5	0	1	0	1	8	10
6	0	0	0	1	0	1
Sum:	117	570	1,171	3,110	1,433	6,401

Regulatory Framework

Welfare Reform

2.10 The Welfare Reform Act 2012 has been described as the biggest change to the welfare state for people of working age since 1945. ACC recognise that many of our customers receive a range of benefits and tax credits and may be affected by the changes. Welfare Reform will impact on many of our tenants and other services users and includes a risk to our income through greater levels of rent arrears.

2.11 ACC will continue to prepare and to respond to the impacts of welfare reform by:

- Participating in the citywide Welfare Reform Board with membership including various partners across the 3rd sector as well as NHS; Police; DWP and advice agencies.
- Participating in the Welfare Reform Operational Group which meets regularly and includes representatives from various services within ACC plus the Department of Work and Pensions.
- Various work streams have been developed include a Communications plan for the city (including a city Universal Credit guide and online strategy); a training plan with some internal and some external delivery in partnership with DWP; a digital inclusion plan (including mapping IT availability & support across the city); a support plan; and operational planning around rent collection & debt management.
- As part of the case for change to the transitional structure for the Early Intervention and Community Empowerment cluster, investment in housing management staff was agreed.
- Continued participation in the Scottish Local Authority Rents Forum and Scottish Housing Network Welfare Reform Forum
- Maintaining good working relationship with our local Department of Work and Pensions colleagues in the city and our neighbouring colleagues in Aberdeenshire & Angus Councils.

Scottish Government

2.12 The Scottish Government introduced the Scottish Social Housing Charter to help improve the quality and value of the services that social landlords provide and to support the Government's long-term aims. Also the guidance within the [Scottish Government Guidance on Operation of Local Authority Housing Revenue Account](#) brings together in one place, the role of the HRA, how it must operate, who the resources contained within it are meant to benefit and what outcomes can be expected from those resources.

2.13 Further to the previous Scottish Quality Housing Standard, the main quality target is the 2020 target date for meeting the Energy Efficiency Standard for Social Housing (EESH) fast approaching. Achieving this target remains the target for Aberdeen City Council.

2.14 ACC expect to hear from the Scottish Government in due course of the energy efficiency requirements for our stock from 2020 onwards. Once this guidance has been received a re-assessment of the housing stock's energy performance will be undertaken to identify

what measures will have to be introduced to meet outcomes. The Scottish Government is currently consulting on fuel poverty legislation, including refining the definition of fuel poverty. ACC has met with the Minister for Local Government, Housing and Planning and SG officials.

- 2.15 ACC is currently developing the Torry Heat Network which will go towards likely outcomes initially extending the existing district heating network to serve Deeside Family Centre, Balnagask House and Provost Hogg Court. With the a long term aim is to utilise the heat generated by the Energy from Waste plant.
- 2.16 The Scottish Government provided funding of £254 million, aligned to the City Region Deal, to support infrastructure development. With regards to housing this included £130million guaranteed grant for affordable housing in the City region; and £20million infrastructure fund to unlock potential housing sites.

Scottish Housing Regulator

- 2.17 The Scottish Housing Regulator regulates registered social landlords and the landlord and homelessness services of local authorities. It is an executive agency of the Scottish Government and it exercises independently the regulatory powers of Scottish Ministers.
- 2.18 Its overall purpose is to regulate to protect the interests of tenants and other service users, ensure the continuing provision of good quality social housing and maintain the confidence of funders. The Scottish Government's Social Housing Charter came into force in April 2012.
- 2.19 One of the Scottish Housing Regulator's roles is to monitor and assess landlords' performance against the Charter, through regulatory assessments, published analysis and thematic work. The Regulator will intervene to secure improvement when they need to. Each year they publish reports about each social landlord's performance against the Charter to ensure scrutiny and transparency of performance.
- 2.20 Appendix 5 sets out the Social Housing Charter 2017-18 averages for Scotland sector with Aberdeen City Council included for comparison against peer groups.

3 Vision, Objectives and Strategic Links

Business Plan Objectives

3.1 The vision for housing management and maintenance is:

To manage and maintain our housing stock to create a place where all people can prosper.

To operate a sustainable HRA into the future that provides fair, accessible and high quality services to be delivered to our tenants and applicants at an affordable cost, demonstrating value for money while improving our staff experience, customer experience and use of resources.

Main Objectives of the HRA – Linked to the Local Outcome Improvement Plan (see section 3.2)

	Objective	Strategic Link – LOIP
1	We will ensure council housing that is affordable is available as part of a mix of market property types.	Prosperous Economy
2	We will respond robustly and proportionately to concerns about the well being and vulnerability of tenants and their risk of harm	Prosperous People
3	We will seek to reduce the risk of harm by increasing individual and community resilience to vulnerability	Prosperous People
4	We will empower tenants to feel they have real and meaningful choice and control over their own lives	Prosperous People
5	We will prevent and reduce the incidence of crime, disorder and antisocial behaviour and ensure our tenants are safe and feel safe	Prosperous Place
6	We will create an attractive and welcoming environment for our tenants in partnership with our communities	Prosperous Place
7	We will support community capacity building through the use of technology	Enabling Technology

Main Objectives of the HRA – Linked to the Strategic Business Plan (see section 3.3)

	Objective	Strategic Link – Strategic Business Plan
8	We will manage our assets making best use of resources to support investment in our properties, estates and communities	How we work Customer Experience Staff Experience and Use of Resources
9	We will embrace best practice in improving our housing services and improve the tenant experience	
10	We will provide efficient and effective housing management and maintenance services for the benefit of our tenants and staff	
11	We will enable tenants and residents to have influence over the way we manage services and set priorities.	

12	We will work with community partners to improve outcomes for our tenants	
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Strategic Links

3.2 The Business Plan aims to align corporate and service strategic documents to demonstrate how the service will operate into the future and to continue to provide services that meet the core objectives set out in the diagram above.

Local Outcomes Improvement Plan (LOIP)

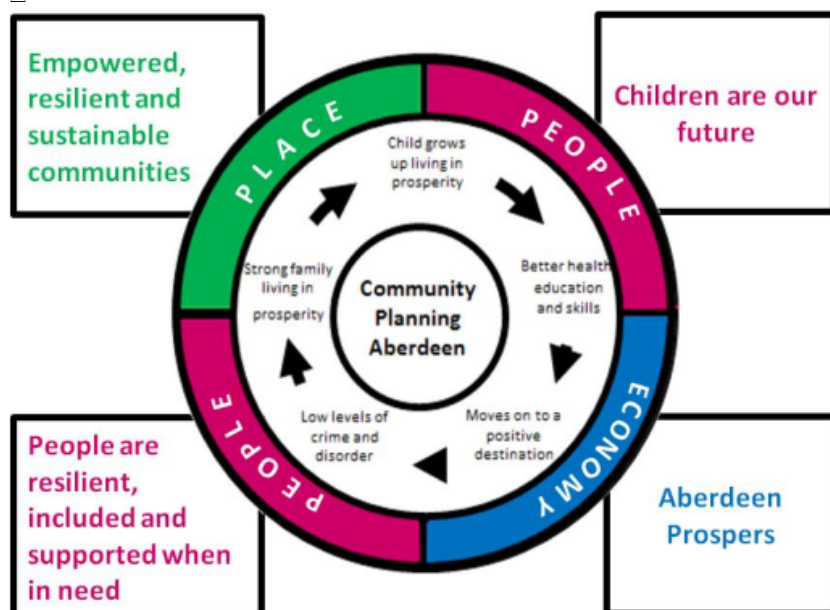
3.3 The Local Outcome Improvement Plan that sets out the direction for the Community Partnership sets out the main vision for the city as:

‘A place where all people can prosper’

This vision is then expanded into four themes:

- Aberdeen prospers - Aberdeen has a flourishing, thriving and successful local economy
- Prosperous People - People in Aberdeen are happy and healthy and enjoy positive life outcomes.
- Prosperous Place - People experience Aberdeen as the best place to invest, live and visit
- Enabling Technology - Innovative, integrated and transformed public services.

□



These themes and links to them underpin the first 7 of the Main Objectives of the HRA and our improvement actions linked to these themes are expanded in section 6A of this business plan.

ACC Strategic Business Plan Refresh 2017-18

3.4 The Strategic Business Plan translates how the LOIP will be interpreted into delivery through How we do business and Our Culture

In our change “road map” there are 3 tiers of change:

- Tier1 - Changes which contribute to better stewardship across the organisation - “Business as Usual”
- Tier 2 - Changes which secure improvement - “Business as Usual”
- Tier 3 - The “art of the possible” - Real Transformation

Stewardship is supported by financial management, asset optimisation, governance, procurement and risk, performance, and improvement.

How we secure improvement is underpinned by customer management, business support, workforce change, being digital and service redesign.

Our culture is about how we behave in pursuit of our purpose. It’s about our attitudes, values, beliefs, and behaviours. The culture triangle (below) shows focus on customer and staff supported by good use of resources – known as the triple aim. At all times we need to ensure that these 3 aims are in balance:



ACC Target Operating Model

- 3.5 As part of the [transformation programme](#), ACC is moving towards a new target operating model (TOM) that will materially change how we do business.
- 3.6 Through March – July 2018 significant work was undertaken to move to a transitional structure. For Housing management, this structure has Locality Inclusion Managers that will combine Community Development and Housing management at a local level. There are no longer Local Housing Managers working solely on Housing issues. This is part of a concerted effort to develop a holistic locality management approach, and includes matrix management of temporary accommodation at a local level.

This new structure supports the challenges facing the HRA in the following ways:

The customer function provides more focus for tenant customer experience improvement. The resources function consolidates skills related to estate management and financial management for improved asset and financial planning.

The commissioning function focused on interpreting customer need into the best direction of resources and provision models using business intelligence.

The operations function focuses and consolidate core delivery functions for improved efficiencies.

City Region Deal

- 3.7 As part of the memorandum of understanding, the City Region Deal establishes £20 million in infrastructure funding to unlock housing sites that are of strategic importance to the local authorities and 5-year certainty on £130 million of affordable housing grant.
- 3.8 The affordable housing grant 2016/17 to 2020/21 will be delivered through the SHIP (detailed in 3.11). It is intended to facilitate a joint approach towards planning for meeting housing needs across the City Region. Provide certainty of resource availability over the 5-year period will allow for definite forward planning within and across the 2 LA areas and encourage innovation and efficiencies in the utilisation of the subsidy available.

Local Development Plan

- 3.09 Sites are available within the LDP to build HRA properties.

Local Housing Strategy

- 3.10 Our aim is to ensure that the maximum number of council houses is available to those who need them. Our Local Housing Strategy demonstrates how we aim to achieve these aims.

- Future housing supply
- Housing conditions in the social sector
- Homelessness
- Housing support/ housing needs of an ageing population
- Fuel Poverty
- Impact of benefit reforms
- Private Sector

This strategy has been through the appropriate peer review process at National level and will be submitted to City Growth and Resources Committee on the 18th September 2018.

Strategic Housing Investment Plan (SHIP)

- 3.11 The core purpose of the Strategic Housing Investment Plan (SHIP) is to set out strategic investment priorities for affordable housing over a five year period to achieve the outcomes set out in the Local Housing Strategy (LHS). The plan reinforces the local authority as the strategic housing authority, the importance of the outcomes and targets set out in the LHS and informs Scottish Government housing investment decisions. It is expected that SHIPs will be directly informed by the LHS and developed in consultation with key stakeholders. SHIPs will be the key documents for identifying strategic housing projects to assist the achievement of 50,000 target affordable homes target identified by the Scottish Government.
- 3.12 Aberdeen's current SHIP is oversubscribed, with proposals for £17m of affordable housebuilding against an actual grant of £12.279m.
- 3.13 At Council on the 6th March 2018, the ruling coalition announced plans for the development of 2,000 Council Housing in the City; and also agreed delegated powers for the Chief Officer – Corporate Landlord to buy back properties previously sold by the Council and it's predecessors where economically advantageous to do so.
- 3.14 On the 6th March 2018 Council also agreed to the recruitment of an Empty Homes Officer, in partnership with Shelter Scotland. While not directly linked to the HRA, it is important to note this development as a potential impact on the availability of affordable housing in the

City, and an indirect link with the HRA is apparent with the potential for maximising the housing stock available in the city.

4 Service Assessment

4.1 Appendix 1 sets out a SWOT (Strengths, Weaknesses, Opportunities, and Threats) assessment undertaken by the service. The key elements are explored below.

Asset Management

The Council's Housing Stock

4.2 Aberdeen City Council's ambition is to deliver a housing asset base which is sustainable, in good condition and meets housing need through evidence based decision making achieved through the creation of an Asset Management model. The model will have a traffic light basis to rank all properties within the HRA.

The aims are to:

- increase the proportion of green assets providing highly sustainable fit for purpose homes
- reduce the proportion of red assets and the associated drain on HRA fundability
- deliver housing led regeneration projects which improve social and economic outcomes for communities
- ensure the Council's multi story housing assets are sustainable both economically and environmentally

4.3 The asset management plan is currently being updated and will include:

- Updating model with 17/18 information
- Defining and prioritising purpose of analysis: investment planning, area management or strategic housing tool
- Using priority to define 3 asset samples: define key questions and options
- Defining investment or improvement options- test using NPV model
- Building option appraisal framework and criteria
- Option appraisal of asset improvement options.

4.4 It is assessed that the main component replacements are well reflected in the 30-year business plan, but structural and environmental improvements are not so well reflected. The asset management plan refresh will also provide more information on identifying stock that is under-utilised or could be considered for change of use or demolition. This more significant change to make more appropriate use of the housing asset has not yet been incorporated into the plan. In addition the development of the 2,000 new houses will also need to be built in. Following the completion of the asset management plan then the capital investment streams would need to be re profiled and a revised assessment of affordability made. (Appendix 8 details the stock profile)

How We Work

4.5 The main activities supporting housing management are as follows:

1. Allocations
2. Homeless management (funded by General Fund)
3. Void Management
4. Estate Management
5. Housing Support

6. Income collection
7. Housing repairs
8. Property management - factoring

A review by Housemark has recently provided an assessment of these services and the findings are summarised below.

Allocations

- 4.6 The Allocation/Housing Access Team is split into three defined areas and they are:
- Homeless - Links to Temp Accommodation and Housing Advice
 - Housing Advice - Referrals from other two streams
 - Allocations - Main Waiting List

Following the case for change being agreed, a new post of Housing Access and Support Manager has been appointed to, with single oversight of these three critical areas. An improvement plan, linked to holistic locality management, is being implemented to ensure that these services work most effectively for the customer. A new Allocations policy is being consulted on in July / August 2018, and this, along with the proposed new Rent Management plan, will ensure ACC has relevant policies to support tenancies through the introduction of Universal Credit and beyond.

Voids

- 4.7 ACC is in the lower quartile for satisfaction with new home and days to relet homes, and is near median in terms of the cost of void repairs and void rent loss.

Estate Management

- 4.8 Within the ARC the satisfaction with Neighbourhoods was 79.4%. this is below average for Scotland and will have an impact on letting times and the number of times a property is offered before being accepted. This does not represent good value for money for the HRA.

Housing support

- 4.9 The housing support provided is hours-based rather than outcome-based. There is no uniform way for support providers to measure the impact of the support provided. ACC does collect data from providers which is uploaded to iWorld, however there may be different forms for each provider.

Income Collection/Arrears

- 4.10 Our performance in collecting rent in recent years has been very good compared with our peer group. However, we have relatively high levels of Notice of Proceedings (NOP), Legal Actions and evictions. During 2017/18 we have strengthened our focus on early intervention in rent arrears cases resulting in significant reduction in legal action cases. This has included a new tenancy sustainment panel with an objective to identify actions to reduce risks of eviction and homelessness early intervention and preventative approaches will be further enhanced with the additional housing staff proposed.

Repairs

- 4.11 There are some very good performance statistics in relation to the repairs service except for the time taken for void repairs. As a result of an increase in turnover of properties, allied with difficulty appointing contractors to undertake the work to bring the properties to letting standard.

Property Management (Factoring)

- 4.12 There are 3,149 properties on the Property Factor Register. These properties are within 39 multi-story blocks, with 569 owners and the remainder being tenants. Within the other stock types there are a further 13,702 owners that are not part of the factoring service but may receive services e.g. communal maintenance and have to pay their share of the cost. There are low levels of customer satisfaction with this service. For this part of the business to improve, work effectively and integrate well with other parts of the service, there needs to be a review of policy and practice, in particular in relation to the management of multi-storey blocks.

Customer service

- 4.13 The review undertaken included sessions with service users, with feedback from these sessions suggesting that staff are perceived as structured in their approach to day to day tasks, with a tendency to follow the process even when they can see a better way to do something, almost like “but the process says...”
- 4.14 A more flexible and responsive service that focuses on the needs of the customer could improve performance and efficiency. A training programme is being developed for new staff within the service, that will ensure regulatory standards are met while also supporting staff to develop skills required by the TOM.

Management Costs

- 4.15 The HRA in 2017/18 incurred direct staff costs of £5.7m cost with a 195 FTE. In addition £2.7m of Central Support Services costs was incurred and further staff time of £0.431m was charged to capital projects. This does not include staff employed via the Building Services trading account, many of who are delivering services on behalf of the housing service, e.g. housing repairs.
- 4.16 The HRA invests £100k per year in training. Individual officers training needs are assessed through the Performance, Review (PR&D) and Development process. A new housing service induction is being developed for all officers involved in frontline housing services. In addition the HouseMark Housing Services Review has identified further training for staff on listening, negotiation and communication skills, as mentioned above this will be part of the training for new staff within the cluster.
- 4.17 The Housing Service has been supporting students to undertake housing qualifications for a number of years, this year there are 11 students in two groups undertaking the Level 3 in Housing Practice, which began in June this year and completed in March 2018. Last year there was one group of 6 students and 7 students the year before. We also have 3

students studying the Level 4 (1st year) at Dundee College and 1 student undertaking the Diploma (1st year) through Stirling University.

4.18 The table below illustrates the how the percentage of direct staff time is allocated across Housing Management Functions with the majority being spent on arrears and estate management.

Posts	Arrears	Allocations	Estate Management	Tenancy Sustainment	Repairs Admin	Asset Management	Sheltered Housing	High Rise	Other activities	TOTAL ACTIVITY COSTS
ASSISTANT HOUSING OFFICER	55.00	15.00	20.00	5.00	5.00					100.00
HOUSING MANAGER	10.00	10.00	25.00	10.00	5.00	5.00	5.00	5.00	25.00	100.00
HOUSING OFFICER	20.00	20.00	30.00	10.00	5.00		5.00	5.00	5.00	100.00
SENIOR HOUSING OFFICER	10.00	10.00	45.00	10.00	5.00		5.00	5.00	10.00	100.00

Service Awards

4.19 Recent achievements within the Housing service include:

- Tenant Participatory Advisory Service – TPAS – National award for Developing Communities for the work undertaken at the Linksfield Multi Storeys, this involved improved communication between all tenants in each multi and in all three, a different approach to Tenant Participation and Estate Management and gave the Community what they wanted.
- Our Housing Service Review Group was runner up for the TPAS National Award for best practise in developing scrutiny.
- In June 2018 the Council was shortlisted for five National Tenant Participation Awards by the Tenant Information Service TIS and won three awards.
- The TIS presented Aberdeen City Council with the Danny Mullen Award, presented to the Organisation of the Year.
- Criteria focuses on innovation in housing, with a particular emphasis on tenant participation. Our staff, elected members and, most importantly, tenants have embraced this in recent years and clearly judges recognise the great strides that have been taken.
- A tenant representative from ACC won the Frances Nelson MBE Award for Tenant of the Year. The prize is a tribute to the dedication and commitment Norma makes to improving the lives of others in her community and the example she sets. It is the second consecutive year an Aberdeen tenant has been honoured.
- To complete the hat-trick, the Tenant Participation Champion of the Year prize was awarded to a Development Officer within ACC for Tenant and Resident Participation

Technology Enabled Care (TEC)

4.20 TEC improves the quality of life for older people and people with specific needs by enabling them to maintain their independence and help them to live longer in their own homes. TEC can reduce hospital admissions, enable timely discharge from hospital and avoid admission to residential care or nursing homes.

4.21 In 2014 the council started a two year programme to upgrade the infrastructure to support TEC within sheltered and very sheltered housing. This improvement enabled maximum flexibility of a full Telecare enabled service. During 2016/17 upgrading work was also completed at Castlehill Housing Association and Sanctuary Housing sheltered developments to make them fully Telecare enabled.

- 4.22 In 2016 a pilot project was established in a Council sheltered housing development using the housing service portal and inactivity sensors as a method of remotely monitoring tenant activity and is being used as an alternative to the morning welfare telephone call. Following the success of this project the housing service portal is being rolled out to other sheltered housing developments in the city during 2018/19.
- 4.23 TEC is available in properties used by mental health and learning disability services to improve independence for service users and provide additional support to service providers. Where appropriate upgrades have been installed enabling responses to be provided remotely by support provides instead of staff being located on site.
- 4.24 Out with sheltered housing, in August 2018, 2,633 (1,543 with basic alarm and 1,099 with addition sensors) people are being supported by Telecare systems in the city.
- 4.25 Internet access is an essential tool for service users and service providers. Housing services are currently working in partnership with the IT Transformation Team and Aberdeen City Health & Social Care Partnership in supporting the installation of public Wi-Fi systems in the south of the city including the council's sheltered housing developments.

Choice Based Letting (CBL)

- 4.26 ACC are currently developing a CBL approach for allocating a proportion of Council properties will make for more efficient allocations by reducing administrative costs arising from multiple offers and refusals being made, minimise any impact on void rent loss arising from the same and promote tenancy sustainment by affording applicants the opportunity to bid for specific properties they would like to live in.
- 4.27 A partnership with Homehunt NES for properties in Tillydrone is the start of the CBL approach and will go some way to meeting the Scottish Government's objective that common housing registers become the norm across Scotland, bringing the Council together with three of the four main RSLs operating locally.
- 4.28 How ACC allocates our properties in the future is part of what is being looked at as part of the review of our Allocations Policy which commenced in August 2018. The review will be looking at the effectiveness of CBL. We will also be consulting with staff, elected members, tenants, applicants etc to ascertain their view on CBL.

Service Performance

4.29 The comparison against Social Housing Charter benchmarks is shown in appendix 5. Findings for 2017/18 are summarised below.

Summary table shown below:

Indicator	ACC	Peer Group	Variance
Percentage satisfied with overall service	83.0	86.7	-3.7
Percentage satisfied with keeping tenants informed	76.9	85.3	-8.4
Percentage satisfied with opportunities to participate	67.7	77.0	-9.3
Satisfied with quality of home	84.5	86.8	-2.3
Average hours taken to complete emergency repairs	3.3	4.1	-0.8
Average days to complete non-emergency repairs	26.0	7.3	18.7
Average time to relet properties	49.9	25.5	24.4
Percentage of tenancy offers refused	51.8	35.2	16.6
Gas safety record renewed by anniversary date	100.0	99.9	0.1
Satisfaction with repairs service	95.0	92.4	2.6
Satisfaction with neighbourhood management	79.4	85.9	-6.5
Tenant sustainability % > 1 year	90.2	89.9	0.3

Service Strengths

4.30 Through various methods, such as inspection, benchmarking and HouseMark Housing Services Review, we have been recognised as having strengths in the following areas:

- **High levels of satisfaction with repairs and maintenance service.** From the ARC The repairs appointments kept indicator was 98.93%, the satisfaction levels were 95.9% and Gas Safety Certificates are 100%
- **Positive practice was identified in the CCTV monitoring of Multi Storey Blocks.** CCTV operators are proactively sending emails to a generic address with anything they noticed whilst monitoring the CCTV. The approach is being rolled out to housing officers and this will generate intelligence for Police Scotland and Scottish Fires and Rescue.
- **Percentage of stock meeting EESSH compared to our peer group.** ACC 82.02% of stock meets EESSH with 80.64% for the upper quartile of our peer group.
- **Low cost of Housing Management per property** this is shown in both HouseMark (£213 per property compared with the peer group of £264) and Scotland's Housing Network (£430 per property compared with SHN Average of £820).
- **High levels of rent collection.**

Areas for Improvement and Service Priorities

4.31 We are currently reviewing and evaluating several key areas with a view to improving service planning, provision and delivery:

- **Tenant satisfaction levels**
- **Voids Management**, shown through the average relet days. A group has been established to monitor the repair times of voids, there has been an improvement however this area requires further investigation and recommendations for further improvement

- **Legal Actions for rent arrears**, ACC have comparatively high levels of court action however during 2017/18 we have refreshed our approach to focus more on early intervention and this has already had significant impact on legal activity.
- **Management of multi-storey blocks including Factoring** as a result of a lack of a current Asset Management Strategy (AMS). AMS would support decision making for disposal.

Benchmarking

4.32 Benchmarking, or comparing performance with others, can be a useful way of checking performance levels. The Scottish Housing Regulator has published all the Charter information returns in a way that allows comparisons with other landlords. This tool is available online and can be accessed by anyone. It is a useful way for tenants to do their own comparisons. As with all high level statistical reporting, further analysis and understanding of context is needed to properly understand where there are differences. Formal benchmarking and performance is an area that we are currently developing with both Scottish Housing Network and House Mark.

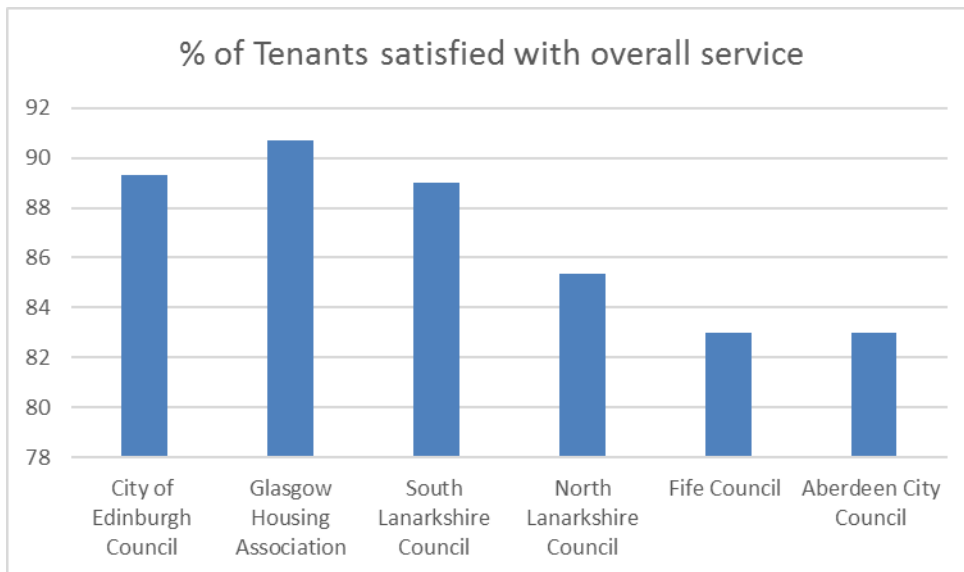
4.33 ACC is one of the 4 Council's which have taken part in the Value for Money study by Scotland's Housing Network, it is hoped that this will expand as a number of other Local Authorities have committed to complete. The report ACC had low costs in Estate Management, Repairs Administration, Asset Management, Tenancy sustainment and Suspension and Management and low debt per unit. However high costs were evidenced in arrears staffing, component replacement of Kitchens, Bathrooms and Windows.

4.34 ACC completed the HouseMark report for the first year in 2017, this provides comparison with a peer group throughout the UK. This highlighted good results in such areas as Housing Management Costs, rent arrears as % of rent due, average no of calendar days to complete repairs and % stock meeting EESH. Poor performance in relet days, number of tenants evicted due to rent arrears and average cost per responsive repair.

Tenant Participation and Consultation

4.35 Aberdeen City Council is committed to tenant participation and our partnership approach with tenants and residents is widely acclaimed for innovation and excellence. The Council has won many National Tenant Participation Awards. "Having your say – Playing you Part" is our new draft Tenant Participation Strategy currently being finalised.

4.36 The graph below shows the percentage of tenants satisfied with the overall service.



4.37 The Council's approach to Tenant Participation enables tenant participation in strategic and more localised community issues. Various Registered Tenants Organisations operate to assist tenant and resident engagement on strategic issues including the Housing Performance and Tenant Participation Budget Group which provides scrutiny to the HRA. As part of this group's work it is a member of the North East HRA forum which is benchmarking HRA use over five local authority social landlords.

4.38 ACC are currently working with Tenant Participation Advisory Service and Tenants Information Service to benchmark our scrutiny standards with a view to developing and securing gold standard accreditation. Currently there is 19 Registered Tenants Organisations and 24 non-registered groups, with most participating in local community issues.

4.39 ACC routinely collect tenant views e.g. when a tenant moves in, when a repair is completed. Every three years we conduct an extensive Tenants Satisfaction Survey with the last one survey completed in 2017. Also holding various events for specific issues requiring consultation. Our Conversation Café approach has been recognised as best practise when consulting on our rent and allocation policies. Tenant's feedback is used to help us monitor performance and support our continuous improvement objective by informing the drivers with the Council's strategic business plan and service improvement plans. ACC also consider the recommendations made from our Housing Service Review Group who has recently reviewed Housing Management and Repairs Services. These recommendations have been added to our improvement plans.

ACC are members of the award-winning Group – NETRALT – North East Tenants Residents and Landlords Together working with two other local authorities and all the housing associations in Aberdeen and surrounding area, to share ideas, hold joint events and training. NETRALT was recognised nationally for their award-winning Housing Cafes and the improvement of tenant & resident participation in the North East

4.40 Aberdeen City Council strives to improve services where possible, and monitors service standards closely. We are members of the Scottish Housing Network and have also contracted with House Mark to provide additional benchmarking services and analysis.

Partnership Working

4.41 The Housing service works closely with partners and examples are given below.:

- Supporting the creation of residents' groups
- Working with Housing Associations
- Working with other community groups and councils
- Promoting anti food poverty initiatives
- Working with community projects
- Working with credit unions
- Working with young people
- Working with Police Scotland
- Working with Integrated joint board
- Working with sustainable transport groups
- Working with NHS Healthy Hoose
- Working with Scottish Fire and Rescue Service

5 Financial Strategy

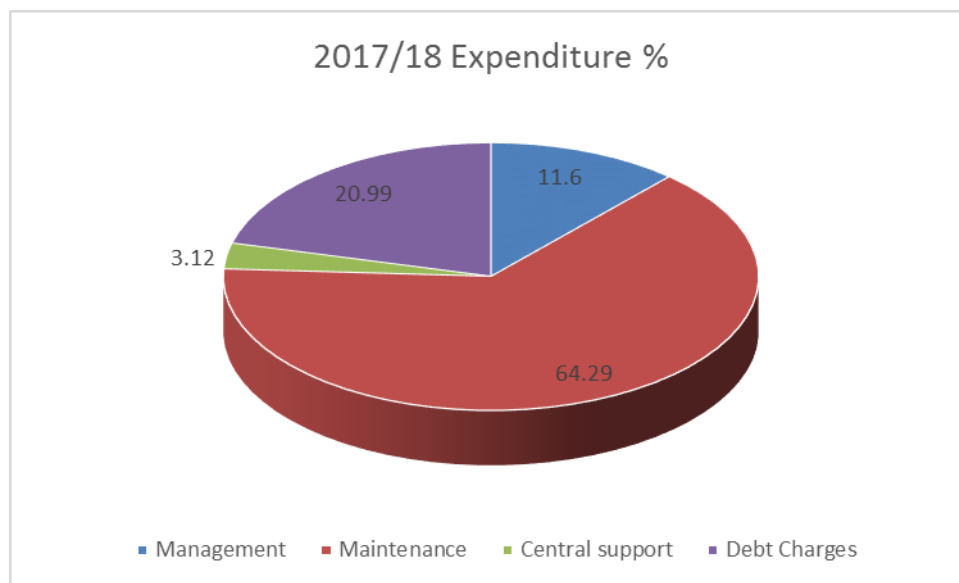
Introduction

5.1 The HRA is a statutory requirement for all local authorities that provide a housing landlord service. It is a ring-fenced account with income mainly being generated from tenants' rents. Expenditure is incurred through the management and maintenance of, as well as investment in, the housing stock to ensure that tenants' homes are safe, secure, warm free from defects and meet current standards.

The HRA is divided into Capital and Revenue items:-

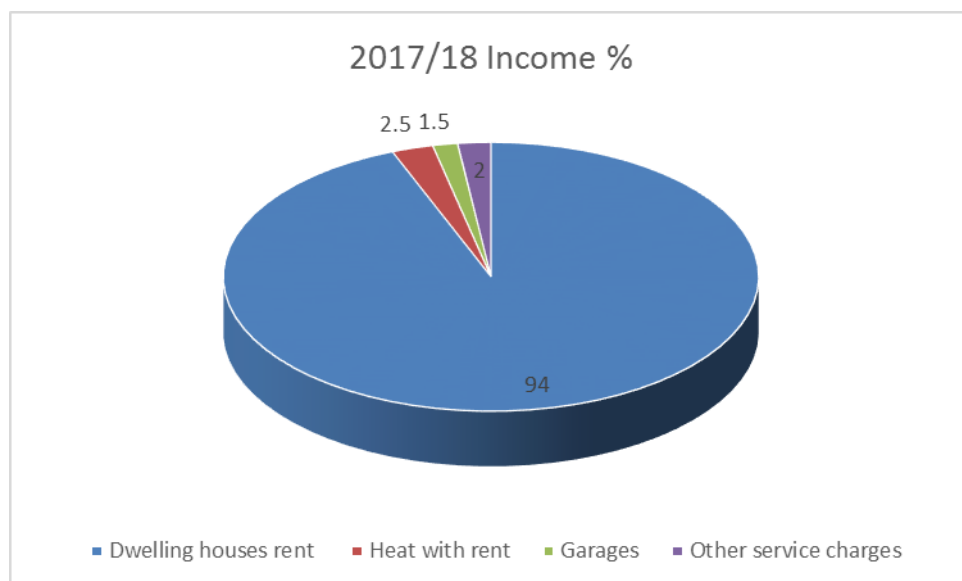
- Expenditure on Capital items is where money is invested in major works (such as external refurbishment, replacement roofs, full house heating and insulation upgrades) to improve the physical quality of the houses.
- Revenue income is predominantly the rent that tenants pay to the Council and Revenue expenditure is associated with the day-to-day management and maintenance of the houses. Further detail on the revenue income and expenditure is provided within Figures A and B below.

(Figure A – 2017/18 Actual HRA Expenditure)



The greatest proportion (64%) of revenue spend is on maintenance.

(Figure B – 2017/18 Actual HRA Income)



It should be noted that homelessness services and housing support services are funded from the Council's General Fund and do not form part of the Housing Revenue Account.

30-year Position

5.2 The primary focus of the financial modelling which underpins the Business Plan was to ensure that the HRA can be sustained over the 30-year period, with more detailed focus on the medium term (3-5 years). The model has allowed the review and assessment of the required level of funding over the medium to long term. Financial modelling has been done, taking the 2018/19 approved HRA budget as the base year. The actual housing stock numbers as at 22,224 have been used to model opening stock.

The overview position on HRA is detailed in Appendix 7.

Stock Valuation

5.3 The 2017-18 Annual Accounts of Aberdeen City Council states the valuation of Council Dwellings on the HRA at £1.8bn. Council Dwellings are valued using the Beacon Method which involves full inspection of a sample of properties (Beacons). Full inspection is not considered necessary due to the similarity of the property types covered by the Beacons.

Rent Income

5.4 The HRA must be self-sustaining, so the expenditure detailed above must be funded. The primary ways in which the HRA is funded are through rental income, use of reserves and borrowing. A sustainable rent policy must be implemented to secure the long term financial position of the 30-year business plan. The Council agreed at CH&I Committee on 1st November 2016 a policy for maintaining sustainable rents is for a rental increase of RPI (RPI assumed at 2%) plus 1% for 3 years thereafter this will be reviewed and tenant's views consulted. Consideration could be made to fixing the rental increase for three years to provide stability to the HRA and allow the development of new build.

- 5.5 In February 2017 Council agreed to set a rent freeze for 2017/18. This has had the impact of removing £107m over the 30-years of the business plan as this could not be built back into future years.

Sensitivity analysis – impact of alternative rental policies on HRA fundability

Rents	Max Debt Affordability %	Cumulative reserves £'000	Max Debt per unit @ year 10
Baseline inflation +1%	28	62,913	11,621
Inflation +0.5%	44	30,521	12,440
Inflation only	53	30,521	13,241
Rent freeze in Year 2 & 3	32	30,521	12,316

- 5.6 Sensitivity analysis indicates rents must be maintained at the baseline inflation +1% in order for the plan to be affordable over the 30 years. A review of the Council's rent structure was undertaken five years ago which identified rental charge inconsistencies across property types and sizes. It was recommended that the Council develop a long term rental strategy based on fair and transparent system for charging rents, providing a basis for a secure income stream into the HRA. The phasing of the new rent structure will end in April 2019 so all rents will be placed on the model rent with exception of those new build properties with a new build premium.
- 5.7 Association of Local Authority Chief Housing Officers (ALCHO) Housing Officers recently undertook a review of Business Planning practices within Local Authorities. They found that business planning is well developed across the sector the understanding of risks is improving and changing, debt affordability has been a key driver in the past. Rent affordability is now increasing a leading concern. Highlighted also rent freezes are likely to have a bigger longer term impact than short term cost increases in many areas.

Use of Reserves

- 5.8 The Council has a working balance which has been built up over several years created from savings within the HRA. This reserve is necessary to ensure the HRA is financially sustainable and can meet any unforeseen or exceptional circumstances for example Welfare Reform (Detail contained in Appendix 3 of this cost pressure). In 2018/19 budget it was agreed to continue to maintain the working balance at 10% of gross expenditure.

Borrowing

- 5.9 Capital expenditure can also be funded from borrowing. This means that the cost of capital in any particular year is spread over a number of years in line with the conditions of borrowing (i.e. 20 years/30-years or a combination). This results in an annual charge for borrowing which is met from revenue. Any borrowing is undertaken in line with the current Council's Borrowing Policy.
- 5.10 Borrowing can be internal or external to the Council. The economic case for borrowing externally or using the Council's own reserves to finance capital expenditure is essentially

down to whether interest rates are higher or lower than the long term average return on the Council's external investments (with fund managers).

- 5.11 As at 31 March 2018 the HRA borrowing was £187m. At this level of borrowing, the debt cost per dwelling is £8,643. This compares to national average of £12,807 per dwelling for 2015/16.

Capital Receipts

- 5.12 Right to buy ended for all Council and housing association tenants in Scotland on 31 July 2016 therefore it has been assumed that there will be no house sales in 2018/19. Some legacy sales set in motion before the deadline may occur in 2018/19 however these are not expected to be significant. Income from Right to buy sales was used to write off debt therefore this source of capital income has effectively stopped and will result in increased borrowing to fund the capital programme.

Debt Profile and investments

- 5.13 The plan assumes an interest rate of 3.82% in year 1 18/19, increasing to 5% by year 10 and then held at this level throughout the life of the model. The investment Strategy is undertaken for the whole of the Council and not specifically the HRA.

Asset Investment

Asset Management & National Standards (SHQS and EESH)

- 5.14 The most important developments at a housing stock level in the last decade have been the requirement to meet the Scottish Housing Quality Standard (SHQS) which was a significant investment. Aberdeen City Council has performed well against this target, and the focus has now turned to Environmental Efficiency Standards (EESH). These measures help ensure that our housing stock is modern, warm, well insulated, and provide space for tenants to thrive. They also ensure that less energy is required to heat each home, helping to reduce our impact on the environment.

- 5.15 Other Investment Plans/Priorities

Over the following five years investment is to be made on structural repairs for multi storey blocks and general housing (includes over cladding), window and heating replacements and the continuation of the modernisation programme (Kitchens and bathrooms).

Aberdeen City Council has a stock of non-traditional build properties which consists of 3,863 multi storey properties and 1,980 low rise properties. Future priorities for these types will focus on continued fabric repairs programmes to ensure structural elements are kept in good order. In the multi storey stock this is managed through a seven year cyclical programme of surveys and fabric repairs. A structural survey of the Council's low rise stock, including non-traditional types is nearing completion. From the results of these surveys a programme of fabric repairs will be identified. It is likely thereafter that low rise non-traditional properties will require to be inspected on a five to ten year cyclical basis. This may result in more regular structural repair contracts and, therefore, a requirement for more regular and higher expenditure on these properties. In addition to the above, there are challenges in ensuring some multi storey and non-traditional types meet the Energy Efficiency Standard for Social Housing (EESH) by 2020. Going forward there may be a higher energy standard put in place by the Scottish Government from 2020. There is no

information on what that will entail, but it is highly likely that it will not be possible to achieve compliance in much of our multi storey and non-traditional stock.

In 2018/19 it is anticipated the following will be the priorities –

- Structural Repairs on 9 Multi Storey Blocks £4.2m
- Heating system replacements 926 properties £4.4m
- Solid Wall Insulation £3.8m
- Energy Efficiency on 5 Multi Storey Blocks £2.2m

New Affordable House Building

5.16 During 2018/19 it is anticipated that the following new build completions will be made in Smithfield 98 and Manor Walk 80.

As instructed by the Council at its budget meeting on 6th March 2018 the Director of Resources reported to the City Growth and Resources Committee on 19th June 2018 with business cases for the delivery of 2,000 Council houses in conjunction with private developers, as appropriate, working within an affordable capital investment sum of £250 million and with the requirement that each business case must demonstrate the long term affordability and sustainability of the Council's Housing Revenue Account.

Individual financial models are being prepared for each project and, in order to assist in the delivery timescales, agreement of the Strategic Commissioning Committee, at its meeting on 19th June 2018 (report RES/18/034), was obtained to delegate authority to the Director of Resources, following consultation with the Convenor and Vice-Convenor of that Committee, to approve the finalised financial models.

In terms of financial aspects, this includes the types and sources of funding including for example, Council / HRA borrowing, Council 2nd Homes Grant and Scottish Government Grant, affordable housing developer contributions etc. The final financial models are required to demonstrate the self-sustainability of each project and as such, a project will only be progressed where this is demonstrated: if it does not, then the project will not be progressed.

Risk Assessment

Financial Risks

5.17 There are many variables in the financial modelling to be considered. The assumptions made in the financial modelling have been tested, but financial risks still remain. Assumptions include inflation at 2%, rental inflation 3%, void rates 1.2% and debt per unit in 18/19 £8,795. All are comparable with other local authorities who have completed Scotland's Housing Network Value for Money Study.

Potential risks

- Interest rates are currently at a very low level, but over the lifetime of the model are likely to rise. This is mitigated to some extent with the use of a pooled rate of interest, which are less likely to show major fluctuations.

- ACC is monitoring the Ministerial Working Group on Building Fire Safety. This includes a review of Fire Safety and Regulations framework for High Rise Domestic Buildings. This may have an impact on Asset Management Costs.
- Impact of Brexit on demand for Council Housing, with many EU nationals returning to Europe.
- Voids may increase due to the availability of alternative housing options from other providers aiming at the key workers market.
- The introduction of Universal Credit.
- Further reduction in the demand for Sheltered Housing Multi Storey Flats, these properties can be returned to mainstream however the challenge will be rehousing the existing tenants.
- Construction prices increase, through benchmarking it is clear there are higher costs experienced in both Aberdeenshire & Aberdeen City than our peer group.

5.18 Risk Analysis – Impact of key risk factors

Risk Factor	Max Debt Affordability	Cumulative reserves	Max Debt per unit
	%	£'000	£
Baseline	28	62,913	16,255
Bad debts double to 5%	34	30,524	18,882
Void rates increase to 3%	31	32,060	17,677
Construction prices increase by 1%	35	30,521	20,712

Demonstrates that if any of the risk factors do occur the 30 year plan will be pushed towards the 35% limit set by ACC.

PESTLE Diagram – factors affecting the Scottish Housing environment

<p>Political</p> <ul style="list-style-type: none"> • Austerity economics continued in public finances • Brexit • Referendum 2 Bill • Scottish government review of local government • Double devolution agenda • Public Bodies (Joint Working) (Scotland) Act 2014 and the national outcomes for health and wellbeing. • Community planning agenda • Homelessness agenda (Non HRA) • Welfare reform • Potential introduction of Rent Pressure Zones • Community Justice reform • City region deal • Ministerial Working Group on Building and Fire Safety • Fuel Poverty Bill 	<p>Economic</p> <ul style="list-style-type: none"> • Downturn in oil & gas industry • High operating costs in the North Sea basin • Skills, expertise and employment leaving the region • Intense global competition • Local unemployment rising • Tight labour market, especially for key workers • House prices and impact on Private Rented Sector • Interest Rates, Negative Equity & Repossessions • Consumer inflation affecting standard of living • Reducing public sector funding • City region deal • Ministerial Working Group on Building and Fire Safety • Welfare reform
<p>Social</p> <ul style="list-style-type: none"> • Fluctuating population: potential for significant reduction or increase depending on regional economy • Increasing aging population / cost of health & social care • Projected increasing school age population • Increasing migrant workers and multi ethnic diversity • Geographical variations in deprivation • Multi-generational deprivation • Substance Misuse • Reducing levels of antisocial behaviour • Enabling independent living in the community for those with a disability or long term health condition • Community resilience • Community Justice reform • Ministerial Working Group on Building and Fire Safety • Welfare reform 	<p>Technological</p> <ul style="list-style-type: none"> • Inadequate digital infrastructure and high cost of connections • Increase in use of digital channels • Greater automation of processes and objects • Rise of sensors and devices connected to the internet • Rise of the smartphone society • New techniques to gather and analyse data • Transformation of IT infrastructure and operations • Integrated approach to public service ICT • Commitment to 100% super-fast broadband • Greater use of telecare and telehealth systems to support independent living.
<p>Legal</p> <ul style="list-style-type: none"> • Scottish Government “Programme for Government” 2015 • Community Empowerment (Scotland) Act 2015 • Bill to devolve LA responsibilities to communities • Child Poverty Bill • Local and national targets to increase delivery of new affordable houses • 1% of budget to be subject to Community Choices • Welfare Reform – Universal Credit implementation • Community Justice (Scotland) Act 2016 • Creation of Housing Revenue Account Business Plan 	<p>Environmental</p> <ul style="list-style-type: none"> • Circular Economy and Zero Waste Bill • Climate change bill and Paris Agreement implications • Scottish Government’s Low Carbon Economic Strategy • Flooding • EESH standards in social housing

Local Outcomes Improvement Plan (LOIP)

Summary of Locality Plans

Middlefield, Northfield, Cummings Park, Mastrick and Heathryfold Locality Plan

We will improve area housing

We will deliver additional affordable housing in the Locality

We will deliver high quality social housing, estates and housing services

We will improve outcomes for families with most complex needs – Priority Families

Torry Locality Plan

We have access to affordable, fit for purpose, and well maintained housing which we can sustain

We will deliver high quality social housing, estates and housing services

We will deliver additional affordable housing that meets resident's needs

We will deliver the Priority Families Service

Tillydrone, Woodside and Seaton Locality Plan

Ensure high quality housing

We will deliver additional affordable housing in the locality

We will deliver high quality social housing, estates and housing services

We will establish a Priority Families service team in the locality and prioritise its services for local

SWOT analysis of service

<p><u>Strengths</u></p> <ul style="list-style-type: none"> • A skilled, experienced workforce with expertise of their work • Multi-disciplinary • Established partnerships and networks • Flexibility of Smarter Working • High quality services • EU and international experience • Award winning services and reputation of other services • In-house staff development and good training programmes • Strategic influence – nationally, regionally and internationally • Internal and external relationships • Portfolio of high impact projects • Proactive and focus on continuous improvement • Strength of new political and business relationships • Community engagement • Housing Revenue Account financial plan 	<p><u>Weaknesses</u></p> <ul style="list-style-type: none"> • Reputation within the City, Shire and nationally • Credibility amongst business customer • Lack of certain core skills and expertise • Budget cuts means strain on resources • Communications within directorate and organisation • Mainstreaming of monitoring and performance systems • Responding to changing need • Risk averse and reluctance to change • Lack of integrated systems / databases • Workforce planning – recruitment / retention of experienced staff and underdevelopment / training of staff • Bureaucracy • Reliance on temporary accommodation for homeless people • Lack of appropriate special needs housing to enable independent living
<p><u>Opportunities</u></p> <p>Better communication</p> <ul style="list-style-type: none"> • Shared Services/co-location • Partnerships and collaboration • Locality Planning and the LOIP • SIP and other capital projects • Public service reform and improvement agenda • Changing delivery models/service redesign • Government policy and changes • Recruitment of new staff with different abilities • Staff development <ul style="list-style-type: none"> • Opportunities to generate income and improve public health through development of the pest control service 	<p><u>Threats</u></p> <p>Economic downturn and rising demand</p> <ul style="list-style-type: none"> • Public sector deficit and budget reductions • Failure to capitalise on the timing, moment and opportunity that the political, public and private sector leadership has shown • Recruitment to posts • Welfare reform / Universal Credit • Shared services • Oil and gas industry downturn • Population growth • Outcome of Local Government Elections • Aging population with different needs • Lack of affordable housing within the City

Social Housing Charter 2013-14, 2014-15, 2015-16, 2016-17 & 2017-18 averages for Scotland sector and peer groups highlighting Aberdeen City Council.

	I1 Percentage satisfied with overall service					I3 Percentage satisfied with keeping tenants informed					I6 Percentage satisfied with opportunities to participate				
	2013-	2014-	2015-	2016-	2017-	2013-	2014-	2015-	2016-	2017-	2013-	2014-	2015-	2016-	2017-
Aberdeen City Council (Large LA)	85.9	85.9	85.9	83.	83.	84.5	84.5	84.5	76.9	76.9	79.8	79.8	79.8	67.7	67.7
All LAs	81.1	83.4	83.3	85.3	84.9	77.7	80.5	81.5	81.5	84.7	63.9	69.7	71.3	72.4	76.9
All RSLs	89.1	88.9	90.	91.	91.3	90.7	90.8	92.2	92.9	92.9	80.8	81.3	83.	85.9	86.5
Peer Group 1 - Specialist	89.3	88.8	88.2	88.9	86.9	88.5	86.8	88.2	87.2	84.3	73.5	74.3	75.1	74.6	74.3
Peer Group 10 - Large LA & GHA	83.2	84.2	86.8	86.5	86.7	74.8	77.7	85.4	84.9	85.3	63.4	69.	76.	74.	77.
Peer Group 11 - Stock transfer LA									0.					0.	
Peer Group 2 - Rural	87.2	87.1	88.6	90.2	92.2	87.7	87.9	90.3	92.	94.1	75.	76.	78.9	80.9	84.8
Peer Group 3 - Small urban	92.7	91.3	93.9	93.5	96.1	93.9	94.3	95.	94.7	96.4	85.8	88.	87.7	89.8	93.5
Peer Group 4 - Medium urban	91.4	90.8	91.1	93.3	91.9	94.5	94.8	94.8	96.3	95.7	86.	84.3	85.1	90.7	90.7
Peer Group 5 - Large urban	87.7	87.9	89.	90.2	91.3	89.1	89.4	91.6	92.2	93.6	79.	80.1	83.6	85.7	89.4
Peer Group 6 - Small stock transfer	88.8	88.	89.5	92.3	94.8	93.7	92.8	93.6	95.7	98.3	87.8	85.8	87.1	92.5	97.8
Peer Group 7 - Large stock transfer	85.8	86.6	87.6	87.8	88.6	87.1	87.3	89.6	89.8	89.7	76.1	76.5	79.5	81.6	79.3
Peer Group 8 - Small LA	80.3	82.3	81.6	85.7	84.5	77.1	81.3	80.9	86.5	86.4	64.2	70.	69.7	78.2	78.4
Peer Group 9 - Medium LA	80.7	84.4	83.3	84.1	84.3	80.8	81.5	79.7	81.7	81.8	63.9	69.5	70.4	71.7	74.9
SHN Average		88.1		90.2	89.8		89.3		91.1	90.9		79.6		83.8	84.2
SHR Scottish Average	87.9	88.1	89.	90.2		88.9	89.3	90.6	91.1		78.4	79.6	81.3	83.8	

Social Housing Charter 2013-14, 2014-15, 2015-16, 2016-17 & 2017-18 averages for Scotland sector and peer groups highlighting Aberdeen City Council.

	I11 Average length of time taken to complete emergency repairs					I12 Average length of time taken to complete non-emergency repairs					I15 Gas safety record renewed by anniversary date				
	2013-	2014-	2015-	2016-	2017-	2013-	2014-	2015-	2016-	2017-	2013-	2014-	2015-	2016-	2017-
Aberdeen City Council (Large LA)	4.7	11.4	5.2	3.2	3.3	10.1	8.7	6.5	6.5	2.6	67.	97.	100.	100.	100.
All LAs	7.5	6.3	5.7	5.1	4.4	9.9	9.5	9.	8.4	7.2	97.7	99.5	99.7	99.9	99.8
All RSLs	5.1	4.5	3.4	3.5	2.9	5.8	5.7	5.6	5.5	5.4	98.8	99.5	99.8	99.9	99.9
Peer Group 1 - Specialist	4.3	4.5	4.6	3.7	3.6	6.6	5.7	5.1	5.1	6.2	99.1	98.2	99.3	99.5	99.6
Peer Group 10 - Large LA & GHA	6.4	5.7	5.6	4.1	4.1	9.5	9.3	8.6	8.3	7.3	95.6	99.5	99.8	100.	99.9
Peer Group 11 - Stock transfer LA			4.9	4.1				9.1	13.2				99.7	100.	
Peer Group 2 - Rural	12.1	6.	5.1	3.9	3.8	6.5	6.5	6.2	6.5	5.8	99.	99.7	99.7	99.9	100.
Peer Group 3 - Small urban	2.9	3.4	3.1	2.5	2.5	3.	3.2	4.2	3.	3.9	98.9	99.9	99.8	99.9	100.
Peer Group 4 - Medium urban	3.7	2.6	2.5	2.5	2.5	3.7	3.7	3.6	3.5	3.8	97.2	99.2	99.8	99.9	100.
Peer Group 5 - Large urban	5.3	4.7	3.	3.1	2.9	5.6	5.4	5.2	5.2	5.	98.3	99.3	99.8	99.9	99.8
Peer Group 6 - Small stock transfer	1.9	1.7	2.7	1.9	1.8	4.8	4.3	3.9	4.4	4.1	99.8	99.9	99.9	100.	99.8
Peer Group 7 - Large stock transfer	4.6	4.7	3.7	4.2	2.8	7.1	7.2	7.5	6.7	6.2	99.8	99.8	100.	99.9	100.
Peer Group 8 - Small LA	6.2	4.5	5.	4.3	3.9	10.3	8.7	8.3	9.	7.7	99.7	99.4	99.6	99.9	99.9
Peer Group 9 - Medium LA	10.3	8.4	7.5	7.2	5.4	10.2	10.3	9.6	8.4	6.7	99.7	99.5	99.7	99.8	99.5
SHN Average		5.8		4.7	4.1		7.9		7.1	6.6		99.5		99.9	99.8
SHR Scottish Average	6.9	5.8	5.1	4.7		8.2	7.9	7.5	7.1		98.1	99.5	99.8	99.9	

Social Housing Charter 2013-14, 2014-15, 2015-16, 2016-17 & 2017-18 averages for Scotland sector and peer groups highlighting Aberdeen City Council.

	I10 Satisfied with quality of home					I17 Satisfaction with management of neighbourhood					I18 Percentage of tenancy offers refused				
	2013-	2014-	2015-	2016-	2017-	2013-	2014-	2015-	2016-	2017-	2013-	2014-	2015-	2016-	2017-
Aberdeen City Council (Large LA)	88.	88.	88.	84.5	84.5	85.6	85.6	85.6	79.4	79.4	52.8	48.5	48.5	50.3	51.8
All LAs	81.1	82.9	83.8	80.8	84.6	78.4	81.1	81.2	80.7	83.8	46.4	45.4	40.5	40.5	39.3
All RSLs	86.	86.3	86.9	88.	89.7	85.2	85.6	86.8	88.3	88.7	35.9	36.6	33.5	32.8	28.6
Peer Group 1 - Specialist	91.2	92.6	92.1	91.2	91.5	87.3	87.3	86.1	85.	83.6	26.8	25.2	21.2	24.1	24.9
Peer Group 10 - Large LA & GHA	84.	85.7	85.4	87.	86.8	78.9	82.9	84.1	86.2	85.9	41.3	41.9	45.4	34.8	35.2
Peer Group 11 - Stock transfer LA				0.					0.					0.	
Peer Group 2 - Rural	84.9	85.1	86.8	87.7	89.	81.6	80.4	83.	84.9	86.5	29.6	28.	30.7	33.	31.3
Peer Group 3 - Small urban	87.8	87.9	87.	87.9	93.	89.4	90.6	90.8	91.2	94.6	32.3	35.8	23.2	24.2	11.3
Peer Group 4 - Medium urban	88.2	87.6	87.3	89.6	90.9	87.7	87.8	88.	91.2	92.4	32.1	35.3	32.9	29.5	27.
Peer Group 5 - Large urban	83.7	84.	85.9	87.	88.4	81.7	82.9	85.4	86.6	87.8	43.5	42.1	39.2	35.9	33.5
Peer Group 6 - Small stock transfer	86.5	87.1	88.5	89.5	92.5	90.4	88.7	89.3	91.9	96.3	51.1	42.4	44.	41.4	23.2
Peer Group 7 - Large stock transfer	83.	84.1	84.8	86.	86.7	82.4	82.5	85.1	86.	86.3	27.6	33.9	28.	31.6	24.
Peer Group 8 - Small LA	80.1	81.1	84.6	83.3	85.3	77.6	79.8	79.8	83.	84.9	47.9	44.	38.7	42.8	38.7
Peer Group 9 - Medium LA	80.5	83.4	81.7	82.3	82.2	79.	81.6	81.1	83.	81.	51.8	50.	48.1	46.6	45.4
SHN Average		85.8		86.9	88.5		84.9		87.1	87.7		41.9		37.3	35.9
SHR Scottish Average	85.3	85.8	86.5	86.9		84.2	84.9	86.	87.1		42.2	41.9	37.8	37.3	

Social Housing Charter 2013-14, 2014-15, 2015-16, 2016-17 & 2017-18 averages for Scotland sector and peer groups highlighting Aberdeen City Council.

	I16 Satisfaction with repairs service					I20 Percentage of all tenancies from previous year sustained					I35 Average time to re-let properties				
	2013-	2014-	2015-	2016-	2017-	2013-	2014-	2015-	2016-	2017-	2013-	2014-	2015-	2016-	2017-
Aberdeen City Council (Large LA)	92.2	92.8	95.2	95.9	95.	91.5	92.	92.2	92.4	90.2	71.5	92.5	104.3	51.5	49.9
All LAs	86.	87.	88.8	86.2	90.8	87.4	88.5	88.3	89.4	89.	37.1	38.6	38.6	33.5	32.
All RSLs	87.9	89.7	90.2	91.4	92.6	88.2	89.7	88.4	88.5	87.1	33.7	34.5	31.	28.8	29.1
Peer Group 1 - Specialist	89.1	88.1	91.7	89.	90.2	85.1	86.5	80.9	80.2	79.	59.5	65.5	54.1	47.	39.1
Peer Group 10 - Large LA & GHA	88.9	88.6	90.4	90.5	92.4	88.3	89.5	89.8	90.9	89.9	32.5	34.6	34.5	25.1	25.5
Peer Group 11 - Stock transfer LA			89.7	0.										0.	
Peer Group 2 - Rural	85.2	88.9	88.5	90.7	91.4	88.9	87.2	89.4	88.9	90.4	20.6	21.9	22.4	23.5	19.7
Peer Group 3 - Small urban	91.9	93.7	93.9	93.8	96.3	92.2	90.9	90.4	93.8	92.8	18.4	14.4	12.2	11.8	9.2
Peer Group 4 - Medium urban	90.3	92.3	92.9	92.8	94.1	90.	92.7	91.7	92.8	89.	14.6	12.8	12.9	13.1	11.2
Peer Group 5 - Large urban	86.9	87.5	88.8	90.7	91.2	88.9	91.1	89.4	89.6	88.6	29.5	25.6	24.9	23.4	23.6
Peer Group 6 - Small stock transfer	84.6	91.5	84.5	90.2	95.8	90.3	88.9	88.8	90.3	90.	32.2	40.3	24.5	33.9	36.9
Peer Group 7 - Large stock transfer	84.3	85.9	88.	89.9	93.6	86.8	88.5	88.6	88.7	87.7	40.8	45.6	40.2	35.9	38.6
Peer Group 8 - Small LA	83.9	83.5	87.9	86.2	86.9	90.3	89.5	89.7	90.1	89.9	40.9	44.	35.8	40.2	36.6
Peer Group 9 - Medium LA	87.	90.6	88.3	92.8	94.9	85.	86.5	85.6	87.1	87.4	41.8	41.4	45.5	42.	39.4
SHN Average		89.3		90.6	92.1		89.		89.	88.4		36.9		31.5	31.
SHR Scottish Average	87.6	89.3	90.	90.6		87.7	89.	88.3	89.		35.7	36.9	35.4	31.5	

HRA Financial Plan Assumptions

Inflation

The model has used the longer-term expected rate of 2% RPI over the 30-year period which is comparable with other Local Authorities. An assumption as to the future value of inflation is available from government forecasts, which although higher at present, with the Retail Prices Index (RPI) currently 3.2% (July 18), the Office for Budget Responsibility shows government forecasts for RPI to reduce to 3.2% by 2021. The rate of 2% is assumed reasonable for an average over the 30-years.

HRA Costs

The main expenditure items on the HRA are maintenance (including repairs and maintenance, grounds maintenance & energy costs), management and administration, central support (including IT, HR, Finance, Directorate Support) and debt charges.

Repairs and maintenance

This covers the cost of the responsive and cyclical maintenance provided by Building Services. This takes account of the cyclical maintenance costs detailed in Asset Management Strategy, along with the cost of running the Housing Repairs Service.

Management and Administration

The HRA requires proper supervision and management in order to ensure that its properties are effectively managed, maintained and let to tenants.

Capital Expenditure

Capital expenditure includes the cost of major component replacement and the approved new builds. ACC in conjunction with Arneil Johnston are developing an Asset Management Plan. Currently the 30-year Finance Plan shows an investment of £1.455bn over the 30-years.

Borrowing Costs

Historically, borrowing has been required to fund the HRA and where possible the CFCR has been maximised. The plan indicates that the maximum debt affordability is 28% (years 16 to 19) this sits well below the prudential target of 35% set by the Council.

It is expected that borrowing will be undertaken at the Council's internal pooled rate, on which interest has been estimated at 5% from year 10 for the purpose of the financial modelling.

Appendix 6 - HRA Business Plan Financial Summary

	£000's	Year 5	Year 10	Year 15	Year 20	Year 25	Year 30
		2,018	2,018	2,018	2,018	2,018	2,018
		£000's	£000's	£000's	£000's	£000's	£000's
Mid Point Housing Stock (including new build)		21,680	21,864	21,864	21,864	21,864	21,874
SUPERVISION AND MANAGEMENT COSTS		13,186	14,559	16,074	17,747	19,594	21,634
REVENUE EXPENDITURE							
Response & Void Repairs		16,141	18,448	20,914	23,714	26,893	30,038
Cyclical Repairs		12,201	13,892	15,738	17,830	20,203	22,894
Estate Management & Grounds Maintenance		3,467	3,828	4,226	4,666	5,152	5,688
Other Property Expenditure		5,982	6,605	7,292	8,051	8,889	9,815
Special Services		1,718	1,896	2,094	2,312	2,552	2,818
Agencies		237	262	289	319	352	389
Contribution to working balances		541	598	660	728	804	888
TOTAL REVENUE EXPENDITURE		40,287	45,528	51,213	57,621	64,846	72,529
CAPITAL FINANCING COSTS							
Instalment of Debt (Original debt)		7,000	7,000	7,000	7,000	7,000	0
Interest & Expenses (Original Debt)		6,879	6,212	4,462	2,712	962	0
Loan Charges - Prudential Borrowing		4,998	9,371	21,604	29,198	31,837	28,774
TOTAL CAPITAL FINANCING COSTS		18,877	22,583	33,066	38,910	39,798	28,774
GROSS EXPENDITURE		72,350	82,670	100,353	114,278	124,239	122,938
Debt Charges as a % of Rents		21%	21%	27%	27%	24%	15%
REVENUE INCOME							
Net rental income (less voids and bad debts)		-90,812	-106,113	-123,017	-142,614	-165,332	-191,758
Garage Income		-852	-941	-1,039	-1,147	-1,266	-1,398
Other Income		-3,524	-4,230	-5,009	-5,870	-6,819	-7,868
Interest on Revenue Balances		-108	-108	-102	-102	-102	-282
TOTAL INCOME		-95,296	-111,392	-129,167	-149,732	-173,520	-201,306
NET EXPENDITURE/(INCOME)		-22,946	-28,722	-28,814	-35,455	-49,281	-78,368
CAPITAL INCOME							
Additional Capital which could be borrowed		-352	-14,393	-36,900	-13,584	-9,049	0
CFCR (Net Expenditure/Income)		-22,946	-28,722	-28,814	-35,455	-49,281	-78,368
TOTAL CAPITAL INCOME		-23,298	-43,115	-65,714	-49,039	-58,330	-78,368
CAPITAL EXPENDITURE							
New Build (Net of Grant Subsidy)		0	0	0	0	0	0
Major component replacement		16,006	11,880	28,681	27,200	34,076	28,071
Structural and Externals		4,560	28,894	35,692	20,217	22,609	32,577
CP & SOA		2,435	2,742	3,102	3,510	3,971	4,493
Service Development		22	24	28	31	35	40
Fees		3,178	4,745	5,819	3,559	3,987	5,560
OCE - SCARF		38	43	48	55	62	70
Slippage		-2,942	-5,213	-7,655	-5,533	-6,411	-6,842
TOTAL CAPITAL EXPENDITURE		23,298	43,115	65,714	49,039	58,330	63,969
Net Capital Expenditure / (Income)		0	0	0	0	0	-14,399
Cumulative Expenditure / (Income)		0	0	0	0	0	-32,392
Net Revenue Expenditure		0	0	0	0	0	0
Calculation of Rent Increase to Facilitate Capital Works							
Net Revenue and Capital Expenditure / (Income)		0	0	0	0	0	-14,399
Additional Income required to fund revenue		0	0	0	0	0	0
Additional Income Required to Fund Capital Works		0	0	0	0	0	0
Income Required from Rent Increase (including reserves)		0	0	0	0	0	0
<i>Closing Balance Including Years Rent Increase (and previous years reserves less MWB)</i>		0	0	0	0	0	-32,392
Reserves Brought Forward							
Minimum Working Balance		- 10,237	- 10,237	- 10,237	- 10,237	- 10,237	- 10,237
Closing Balance excluding Minimum Working Balance		0	0	0	0	0	-32,392
Closing Balance Including Minimum Working balance	- 10,237	-10,778	-10,237	-10,237	-10,237	-10,237	-42,629
		13,380	15,712	18,884	22,386	26,252	62,913
Includes contribution to working balances		13,380,236	15,711,860	18,883,708	22,385,685	26,252,150	62,913,194

Stock Profile

As at 31st March 2018, the Council's housing stock on the HRA numbered 22,050 properties.

HRA Housing Stock by Type – 31st March 2018

House type	Number	%
House	5,351	24.3
High Rise	3,857	17.5
Tenement	9,281	42.1
4 in a block	2,129	9.6
Other flat / maisonette	1,432	6.5
Total	22,050	

Misc Stock by Type – 31st March 2018

Type	Number
Garages Sites	241
Parking Spaces	911
Lock up Garages	2,042
Total	3,194

Stock Age

Period	Number	% stock
Pre: 1919	1,164	5.3
1919 – 1944	4,274	19.4
1945 – 1964	6,000	27.2
1965 – 1982	8,978	40.7
1983 – 2002	1,255	5.7
Post: 2002	379	1.7

Stock Quality

The number of properties meeting the Scottish Housing Quality Standard is set out below:

Description	%
Properties meeting	82.64
Exempt	3.32
Abeyance	3.60
Failing	10.44

Component Replacement

Major components are replaced on an age basis the lifecycle is listed below

Component	Lifecycle (years)
Bathroom	30
Kitchen	20
Heating systems – boiler	15
Heating systems – radiators	15
Windows	30
Doors	30
Wiring	30
Pitched Roofs	60
Flat Roof	30
Downpipes & Gutters	60

Current Capital Programme approved March 2018

Areas	18/19 £'000	19/20 £'000	20/21 £'000	21/22 £'000	22/23 £'000	Includes
Compliant with tolerable standard	1,458	1,977	222	636	820	Major repairs
Free from serious disrepair	12,708	7,478	7,214	8,681	6,021	Structural repairs, window replacement and roof upgrades
Energy Efficient	9,234	9,428	11,411	11,325	7,998	Heat system replacement and energy efficiency
Modern Facilities & Services	1,945	1,435	1,926	1,920	3,127	Kitchens and Bathrooms
Healthy, Safe & Secure	4,713	5,684	1,403	988	1,034	Rewiring and lift replacement
Non Scottish Housing Quality Standards	17,190	24,936	11,761	6,225	5,706	New Build and Disabled adaptations
Total	47,248	50,938	33,937	29,775	24,706	

References

Scottish Government Social Housing Charter

<https://beta.gov.scot/publications/scottish-social-housing-charter-april-2017/>

LOIP

<http://councilcommittees/ieListDocuments.aspx?CId=122&MId=3847&Ver=4>

Item 14 OCE/16/0131

ACC Target Operating Model

<http://councilcommittees/ieListDocuments.aspx?CId=122&MId=4328&Ver=4>

Item 9 OCE/17/024

Local Housing Strategy

<http://www.aberdeency.gov.uk/nmsruntime/saveasdialog.asp?IID=62130&sID=19146>.

Updated version to be presented to this committee

Strategic Housing Investment Plan

<http://councilcommittees.acc.gov.uk/ieListDocuments.aspx?CId=503&MId=4322&Ver=4>

Item 17 CHI/17/205

Updated version to be presented to this committee

Choice Based Letting Report

<http://councilcommittees.acc.gov.uk/ieListDocuments.aspx?CId=503&MId=3839&Ver=4>

Item 42 CHI/16/096

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ABERDEEN CITY COUNCIL

COMMITTEE	City Growth & Resources
DATE	18 September 2018
REPORT TITLE	Condition & Suitability 3 Year Programme
REPORT NUMBER	RES/18/151
DIRECTOR	Steven Whyte
CHIEF OFFICER	Stephen Booth
REPORT AUTHOR	Alastair Reid
TERMS OF REFERENCE	Purpose 4. To oversee and monitor the development and approval of an appropriate strategy for the Council's estate, including plans for investment, disposal and maintenance.

1. PURPOSE OF REPORT

- 1.1 This report seeks approval of an updated 3-year Condition and Suitability (C&S) Programme.

2. RECOMMENDATION(S)

That the Committee:-

- 2.1 Note the projects completed or legally committed to date in 2018/19 as shown in Appendix A;
- 2.2 Note the currently approved projects and approves the amended estimated budgets for each project as shown in Appendix B;
- 2.3 Approve the new Condition & Suitability Programme projects listed in Appendix C for inclusion in the 3-year Condition & Suitability Programme and approves the estimated budget for each project;
- 2.4 Approve the removal of the projects listed in Appendix D;
- 2.5 Instructs the Chief Officers for Capital and Corporate Landlord to implement the detailed 3-year C&S Programme;
- 2.6 Delegates authority to the Chief Officer Corporate Landlord, following consultation with the Capital Board and the Convener and Vice-Convener of this Committee, to amend the C&S Programme should priorities change due to unforeseen circumstances during the year, with such changes to be reported retrospectively to the Committee;

- 2.7 Delegates authority to the Chief Officer Corporate Landlord, following consultation with the Capital Board and the Convener and Vice-Convener of this Committee, to allocate projects or additional budgets to/from a £500k reserve fund, with such allocations to be reported retrospectively to the Committee; and
- 2.8 Note the future C&S projects listed in Appendix E.

3. BACKGROUND

- 3.1 This report brings together, for Members' approval, the proposed 3-year Condition & Suitability (C&S) Programme (2018/19 – 2020/21) for the condition and suitability works on the Council's non-housing property portfolio. This report seeks approval of the revised 3-year programme.
- 3.2 The total budget allocation for the 3 years is £27.339m. This programme was prepared utilising the detailed property information gathered as part of the development of the Property Asset Management Framework, and after discussions with all relevant Chief Officers.
- Proposed 3 Year Programme
- 3.3 Projects with a value of £5.088m have already been completed to date or are legally committed in 2018/19. The completed and legally committed are detailed in **Appendix A**.
- 3.4 A further £12.933m is allocated to currently approved projects as shown in **Appendix B**. A confidential version of Appendix B is included within today's confidential reports, which details the approximate cost for each project and the revised budgets where applicable.
- 3.5 As certain projects have progressed through the detailed scoping and feasibility stage, it is evident that an enhanced scope of work is highly desirable or indeed essential. The budgets currently allocated will not cover the enhanced scope of works. As such additional budget allocations totalling £0.930m are sought for these projects as shown in Appendix B. The additional budget allocation for Harlaw Road Pavilion is included on a provisional basis. This project is currently progressing through the governance and approval process, which would include the completion of a business case. Should the project not be approved alternative projects will be identified for inclusion in the programme and reported back to this Committee in due course.
- 3.6 The above allocations leaves £7.888m available for new projects to allow the continued condition and suitability work to be progressed. The proposed programme is contained in **Appendix C**. A confidential version of Appendix C is included within today's confidential reports section, which details the estimated cost for each project.
- 3.7 £0.5m has been left unallocated. The recommendation is for this to be used as a reserve fund which can address increased budgetary demands for individual projects or be allocated to urgent projects not previously identified. Over the

last 12 months £0.24m was used from the previously approved reserve fund. The reserve fund was used for the following projects:-

- Broomhill Primary School – New project covering repointing to external walls and lead work to parapets.
- Aberdeen Grammar School – Revised budget for pool plant replacement.

3.8 The proposed allocation of the £27.339m is shown below:-

Budget Requirement	Allocation
Projects Completed or Legally Committed	£5,088,000
Currently Approved Projects	£12,933,000
Additional Budget for Approved Projects	£930,000
New Projects	£7,888,000
Reserve Fund	£500,000
Total	£27,339,000

3.9 In addition to the major works contained in the overall programme, a combined sum of £734k has been identified for minor works (£484k already approved and an additional £250k). These works are primarily related to Health and Safety, Asbestos removal and Disability Discrimination Act projects. This list requires to be flexible as works often have to be carried out at short notice to address health and safety issues or to remove asbestos after it has been identified. The proposed allocation of the £734k is:-

	2018/19	2019/20	2020/21
Asbestos Removal	£65k	£90k	£90k
	Completed/programmed:- • Kittybrewster Primary phase 2 • Ashley Road final phase	Projected budget allocation	Projected budget allocation
General H&S Works	£58k	£25k	£25k
	Completed/programmed:- • Removal of unsafe play equipment • PV disconnections • Gilcomstoun School - Replace glass panels in doors	Projected budget allocation	Projected budget allocation
Fire Risk Audit works	£21k	£45k	£45k
	Completed/programmed:- • Kingsford Primary School. Hall fire door provision. • St Joseph's RC School. Intumescent door vents	Projected budget allocation	Projected budget allocation
Security Works	£145k	£50k	£25k
	Completed/programmed:- • Surplus/vacant assets security works	Projected budget allocation	Projected budget allocation
Legionella Works	£0k	£25k	£25k
	Completed/programmed:- • None	Projected budget allocation	Projected budget allocation

- 3.10 The projects shown within **Appendix D** are recommended for removal from the programme. The reasons for doing so are also shown in the Appendix.
- 3.11 The provisional 3-year programme will allow substitution of projects should it not be possible to implement any of the projects on the primary list, or should a statutory requirement arise. Potential projects for future programmes have been identified and could be brought forward in some instances. These projects are shown in **Appendix E**. It should be noted that Appendix E is not a definitive list of potential condition and suitability projects.

Procurement Procedures

- 3.12 When inviting tenders or entering in to contracts for the C&S Programme Aberdeen City Council Procurement Regulations 4.1.1.1 and 4.1.1.2 will be followed.
- 3.12.1 Contracts below £50,000 (supplies/services) or £250,000 (works).
Subject to budget approval, the relevant Chief Officer may give authority to conduct any procurement where the estimated value of contract is below £50,000 (supplies/services) or £250,000 (works). The procurement shall be undertaken by a Delegated Procurer in line with Section 4.3 of these Procurement Regulations.
- 3.12.2 Contracts above £50,000 (supplies/services) or £250,000 (works).
Contracts with an estimated value of above £50,000 (for supplies/services) or above £250,000 (works) shall be listed on the workplan to be submitted by the relevant Director or Chief Officer in accordance with Procurement Regulation 14.6. Each individual contract will also require a Business Case (conforming to a template approved by the Head of Commercial and Procurement Services) to be submitted by the relevant Chief Officer to the Strategic Commissioning Committee. The approval of that Committee is required prior to the procurement being undertaken.
- 3.13 The majority of the projects are below the £250k (works) limit and will be procured under regulation 4.1.1. Around 20 projects are estimated to be greater than £250k and will be procured under 4.1.2. Therefor a procurement business case will be required to be completed. Following approval they will be included in the Resources workplan.

Monitoring and Reporting of Programme

- 3.14 Monitoring of the programme will be carried out in line with the capital monitoring procedures. This includes monthly progress reports to the Capital Board chaired by the Chief Officer Corporate Landlord. In addition, progress is reported to the Capital Programme Committee.
- 3.15 An annual report to this Committee will be required to add a further year to the programme and revise any individual budgets if necessary. Changes to the programme reports will be submitted in line with recommendations 2.6 and 2.7.
- 3.16 Monitoring and reporting of the workplan will be via the Strategic Commissioning Committee (“SCC”), with the annual workplan being updated prior to the commencement of each new financial year and the Director of

Resources updating the SCC from time to time in the event of any new procurements being added to the workplan.

3.17 Property Asset Management Policy and Framework

The approved 2016 Property Asset Management Framework has the following vision for property assets:-

“The Council will provide property, working with partners, where appropriate, which supports the Council in the delivery of quality services by being fit for purpose, accessible, efficient, suitable and sustainable.”

3.18 In terms of Condition and Suitability this means that the aim is to have all assets in A or B Condition and A or B Suitability. The definitions of the gradings are contained in **Appendix F**.

3.19 Targets for improving the percentage of assets in satisfactory condition and reducing the backlog maintenance are reported through the Statutory Performance Indicators. This programme along with the rationalisation of our portfolio and property related capital projects will provide the main tools for meeting these targets.

3.20 The C&S programme also supports the Strategic Transformation Committee approved Asset Review Business Case. Specifically the strategic demolition of former school buildings, which would result in significant revenue savings. Future annual updates to the programme, along with recommendations 2.6 and 2.7, will allow further projects to be added that deliver savings in line with the Transformation agenda.

4. FINANCIAL IMPLICATIONS

4.1 Expenditure will be in accordance with the Council's approved Non-Housing Capital budget. The budget identified in years 1-3 in the Capital programme for the Condition & Suitability (C&S) programme is £27.339m. Completed or legally committed projects account for £5.088m, approved projects amount to £12.933m with the remainder allocated as detailed.

4.2 There are further allocations of £8m in 2021/22 and £8m in 2022/23. Giving a combined indicative 5-year budget of £43.339m. Projects shown in Appendix E will form the basis for years 2021/22 and 2022/23.

4.3 To manage unexpected costs or additional works that may be required a reserve fund budget of £500k will not be allocated at this time. This budget will be used to accommodate increased budgetary requirements or urgent projects not previously identified.

4.4 There will be flexibility within the 3-year programme for approved projects to move between financial years, however the overall spend will remain within the total budgeted profile.

4.5 Specific demolition projects contribute to the revenue savings identified in the Asset Review Business Case. These will continue to be reported through Transformation processes.

5. LEGAL IMPLICATIONS

5.1 All contracts to be tendered shall be done so in accordance with the ACC Procurement Regulations and the applicable legislation.

6. MANAGEMENT OF RISK

	Risk	Low (L), Medium (M), High (H)	Mitigation
Financial	Total cost of projects is greater than available budget.	L	Appropriate budget monitoring.
Legal	None		
Employee	If the recommendations are not approved there may be a delay in delivering improvements to places of work.	M	Continue to prioritise projects.
Customer	If the recommendations are not approved there may be a delay in delivering improvements to publicly accessible assets. Potentially leading to a poorer visitor experience.	M	Continue to prioritise projects.
Environment	None		
Technology	None		
Reputational	Certain projects will not be included which may be viewed negatively by the public and/or press. Given that funding would be in place for many other projects the risk would be low. The increased budget requirements for projects	L L	This risk could be managed through appropriate communications. The reasons for the budget changes are explained

	shown in Appendix B could be perceived negatively by the public and/or press.		within the appendix, so the risks are considered low.
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7. OUTCOMES

Local Outcome Improvement Plan Themes	
	Impact of Report
Prosperous Economy	The C&S programme sees significant investment in the Council's infrastructure. While demolition projects help facilitate the development of sites surplus to the Council's requirements.
Prosperous People	Many of the projects target assets used by the public such as schools, homes for the elderly and libraries. That investment helps support this theme.
Prosperous Place	Projects such as window replacements have environmental benefits which contribute to this them.

Design Principles of Target Operating Model	
	Impact of Report
	The C&S programme has no specific impact but individual projects may link to the TOM Design Principles.

8. IMPACT ASSESSMENTS

Assessment	Outcome
Equality & Human Rights Impact Assessment	Not required
Privacy Impact Assessment	Not required
Duty of Due Regard / Fairer Scotland Duty	Not applicable

9. BACKGROUND PAPERS

- 9.1 Condition & Suitability 3-year programme report to Finance Policy & Resources Committee 20 September 2017 (item 27).
<https://committees.aberdeency.gov.uk/ieListDocuments.aspx?CIId=146&MIId=5875&Ver=4>

- 9.2 Asset Review Business Case report to Strategic Transformation Committee 9 February 2018 (item 10).
<https://committees.aberdeencity.gov.uk/ieListDocuments.aspx?CId=602&MId=5894&Ver=4>

10. APPENDICES (if applicable)

- 10.1 Appendix A – Complete or Committed Projects
- 10.2 Appendix B – Currently Approved Projects
- 10.3 Appendix C – Proposed New Projects
- 10.4 Appendix D - Projects to be Removed
- 10.4 Appendix E – Future Projects
- 10.5 Appendix F – Definitions

11. REPORT AUTHOR CONTACT DETAILS

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Appendix A - Complete or Committed

Asset	Property Type	Proposed Works	Notes	Financial Year
Aberdeen Grammar School	School-Secondary	Flat roof replacements. Link Corridor, Tech Block, Dining/Kitchen and Music (1st Floor).	Committed	2018/19
Ashley Road School	School-Primary	Window replacement Phase 2 and external doors replacement. Include external decoration to be funded from R&M.	Committed	2018/19
Beach Ballroom	Leisure Facility	Contribution to re-rendering works.	Committed	2017/18
Bridge of Don Academy	School-Secondary	Improved school security.	Committed	2018/19
Broomhill Primary School	School-Primary	Window replacements throughout. Phase 2.	Committed	2018/19
Criminal Justice Office (all Floors) 74-82 Spring Gardens	Office	Window replacements throughout.	Committed	2018/19
Cornhill Primary School	School-Primary	Repoint and repair walls. Include external decoration to be funded from R&M (£15k).	Committed	2018/19
Criminal Justice Office (all Floors) 74-80 Spring Gardens	Office	Security improvements including external lighting and potentially CCTV.	Committed	2018/19
Cults Primary School	School-	New modular accommodation.	Committed	2018/19
Cults Primary School	School-	Improved school security.	Committed	2018/19
Culter Primary School	School-	New modular accommodation.	Committed	2018/19
Dyce Academy	School-Secondary	Replace/refurbishment of lift. Improve accessibility.	Committed	2018/19
Dyce Community Centre	Community	Replacement Windows.	Committed	2018/19
Fernielea Primary School	School-	Further roof replacements.	Committed	2018/19
Fernielea Primary School	School-Primary	Alterations to create 3rd additional classroom.	Committed	2018/19
Ferryhill Library	Library	Structural work to external walls. Along with associated works to roof and internal areas.	Committed	2018/19
Gilcomstoun School	School-Primary	Phase 2 of window replacements and roofs.	Committed	2018/19
Gilcomstoun School	School-Primary	Improved school security.	Committed	2018/19

Appendix A - Complete or Committed

Asset	Property Type	Proposed Works	Notes	Financial Year
Harlaw Academy	School - Secondary	Replacement of single glazed windows in stair wells and external doors.	Committed	2018/19
Hazlehead Academy	School-	Artificial pitch replacement.	Committed	2018/19
Hazlehead Academy	School-Secondary	Windows (PE Department). Include external decoration to be funded from R&M (£20k).	Committed	
Hazlehead Cemetery	Cemetery	Resurfacing of access road.	Complete	2017/18
Holy Family R.C. Primary School	School-Primary	Replacement windows (block 2) and replace remaining flat roofs.	Committed	2018/19
Kincorth Sports Centre	Sports Centre	Roof replacement. Sport Aberdeen contributing to project.	Complete	2017/18
Kirkhill Primary School	School-Primary	Replacement light fittings in dining and assembly halls.	Complete	2017/18
Loirston Community Centre	Community Centre (Leased)	Re-render external walls and replace gutters/downpipes.	Committed	2018/19
Muirfield School	School-Primary	Replace roof to non teaching block.	Committed	2018/19
Muirfield School	School-Primary	Windows to non teaching block. Include external decoration to be funded from R&M.	Committed	2018/19
Northfield Academy	School-Secondary	Resolve drainage/waste issues associated with toilets.	Complete	2018/19
Northfield Academy Pitches	School-Secondary	Replacement fencing.	Committed	2018/19
Old Aberdeen House	Office	Refurbishment of public areas.	Complete	2018/19
Oldmachar Academy	School-Secondary	Artificial pitch replacement.	Committed	2018/19
Oldmachar Academy	School-Secondary	Toilet refurbishments - Phase 2.	Committed	2018/19
Oldmachar Academy	School-Secondary	Games hall flooring replacement.	Committed	2018/19
Oldmachar Academy	School-Secondary	New fire doors and potentially magnetic door holders.	Committed	2018/19

Appendix A - Complete or Committed

Asset	Property Type	Proposed Works	Notes	Financial Year
Quarryhill Primary School	School-Primary	Improved school security.	Committed	2018/19
Riverbank School	School-Primary	Additional nursery toilet.	Complete	2017/18
St Josephs R. C. School	School-Primary	Toilet refurbishments.	Committed	2018/19
St Josephs R. C. School	School-Primary	Fire alarm installation.	Complete	2018/19
St Machar Academy	School-Secondary	Replacement of single glazed windows in courtyard and stairwells.	Committed	2018/19
St Machar Academy	School-Secondary	Phase 2 of pavilion refurb.	Committed	2018/19
Stocket Parade Hostel	Group Home	Kitchen and bathroom refurbishment.	Complete	2018/19
Sunnybank School	School-Primary	Replacement windows to West block and external doors.	Complete	2018/19
The Quarry Centre	Family Centre	Reconfiguration of office space to support reclaiming SW teams.	Complete	2017/18
Tullos Primary School	School-Primary	Refurbish remaining toilets. Toilets next to the child development team and the male staff toilet.	Complete	2018/19
Projects completed/committed before 2018 committee but have legacy costs	Various		Complete	

Total **£ 5,088,000**

Appendix B - Currently Approved

Asset	Proposed Works	Notes	Financial Year
116 Westburn Road	Window and external door replacements throughout.	Windows are in C (Poor) condition.	2018/19
Abbotswell Primary School	Roof replacements to ground floor (lower) and link corridor.	Roof is in C (Poor) condition.	2018/19
Aberdeen Grammar School	Kitchen refurbishment including ventilation and heating improvements. R&M contribution.	Ongoing kitchen/servery refurbishment programme.	2018/19
Budget Change Reason:	Project is being funded by a combination of revenue and capital contributions. £35k of that revenue funding has been reallocated to the demolition of a modular unit at Forehill Primary which is urgently required. The nature of the work at Forehill is not fundable by capital, so a realignment of budgets is required so that both the Grammar project and the Forehill project can be progressed.		
Aberdeen Grammar School	Refurbishment of swimming pool changing facilities.	Changing facilities are in C (Poor) condition.	2018/19
Budget Change Reason:	As the design has progressed it has become apparent that reconfiguration of the space alongside the refurbishment would be more beneficial than a straight forward refurbishment. Most notably disabled changing would be created and access for users improved. The additional budget will also bring the changing area much closer to a modern standards.		
Aberdeen Grammar School	Toilet refurbishments.		2019/20
Aberdeen Grammar School	Pool filtration tanks and chemical control replacement.	Required to keep pool operational.	2018/19
Aberdeen Grammar School	Upgrade of fire alarm system.	To address fire risk assessment recommendations.	2019/20
Airyhall Library	Window replacements throughout. Consider funding of external decoration from R&M.	Windows are in C (Poor) condition.	2019/20
Ashgrove Nursery Infant School	Access improvements including platform lift.		2019/20
Ashgrove Nursery Infant School	Heating replacement.	Heating is in C (Poor) conditions.	2019/20
Balnagask Community Centre	Boiler replacement burner bars.		2018/19
Beach Ballroom	Access issues, ceiling, safety issues, electrics all associated with main ballroom ceiling/roof.		
Beach Ballroom	Replacement fire alarm system.		2019/20

Appendix B - Currently Approved

Asset	Proposed Works	Notes	Financial Year
Bramble Brae Primary School	Refurbishment of toilet blocks. Phase 1.		2019/20
Bramble Brae Primary School	Refurbishment of two toilet blocks. Phase 2.		2019/20
Bramble Brae Primary School	Replacement windows to original building. Include external decoration to be funded from R&M.	Windows are in D (Bad) condition.	2019/20
Bridge Of Don Academy	Refurbish toilet blocks. Phase 2 and 3.	Toilets are in C (Poor) condition.	2019/20
Bridge Of Don Academy	Heating plant replacement - boiler and gas supply booster.		2018/19
Bridge of Don Community Centre	Refurbishment of community centre servery.		2019/20
Broomhill Primary School	Repointing to external walls and lead work to parapets.		2018/19
Central Library	Staff toilet refurbishment.	Toilets are in C (Poor) condition.	2018/19
Cove Library	Issues with curtain walling to be resolved.	Ongoing issues with vandalism and prohibitive repair costs.	2018/19
Cults Primary School	Remaining felt flat roof replacements.	Roof is in C (Poor) condition.	2018/19
Cummings Park Learning Centre	Replacement of poor condition flooring and ceilings.	Flooring and ceiling are in C (Poor) condition.	2019/20
Danestone Primary School	Car park and access road resurfacing.	Assessed as C (Poor) condition.	2019/20
David Welch Winter Gardens	Visitors toilet refurbishment.		2018/19
Deeside Family Centre	Car park and access road resurfacing.	Assessed as C (Poor) condition.	2019/20
Denmore Depot Denmore Gardens	Refurbishment of external areas and welfare facilities. C condition. Rationalise buildings on site.	Asset is C (Poor) condition overall.	2018/19
Duthie Park Workshops	Replacement windows to welfare block.	Assessed as C (Poor) condition.	2019/20

Appendix B - Currently Approved

Asset	Proposed Works	Notes	Financial Year
Dyce Academy	Flat roof replacement to sports wing, including widening of gully outlets. PV panels.		2018/19
Dyce Primary School	Replace air handling units and carry out associated asbestos works.		2019/20
Ferryhill Primary School	Improve security and accessibility.		2019/20
Forehill School	Car park and access road resurfacing.	Assessed as C (Poor) condition.	2019/20
Glashieburn School	Car park and access road resurfacing.	Assessed as C (Poor) condition.	2019/20
Hall (Creche) 5 West North Street	Flat roof replacements.	Roof is in C (Poor) condition.	2019/20
Harlaw Academy	Toilet refurbishments.	Potentially phased due to scale of work.	2019/20
Harlaw Playing Fields Pavilion	Refurbishment and access improvements (DDA). Include external decoration to be funded from R&M.	Asset is C (Poor) condition overall.	2018/19
Budget Change Reason:	The initial design phase which included asbestos surveys has identified the need for an enhanced scope of works. A large part of the work is related to asbestos removal, which is much more extensive than anticipated. Surveys also revealed that both the external and internal fabric were in poorer condition than initially identified. The revised scope of work will mean the building will be fit for use for a considerable period and will provide an appropriate environment for intensive use. This proposed change will be subject to approval of the associated Business Case, which will be progressed through the relevant governance processes.		
Hazlehead Academy	Structural repairs - initial works.		2018/19
Hazlehead Park Car Park	Resurfacing of car park.		2019/20
Hazlewood School	Refurbishment to support set up of Countesswells Primary School.		2018/19
Health & Safety Budget	2 year budget allocation.		2019/20
House 145 Gardner Road	Window replacements.	Windows are in C (Poor) condition.	2018/19
House 145 Gardner Road	Kitchen replacement.		2019/20
Inchgarth Community Centre	Roof replacements.	Roof is in C (Poor) condition.	2019/20
Inchgarth Community Centre	Boiler replacements.		2019/20
Kincorth Academy	Demolition.		2018/19

Appendix B - Currently Approved

Asset	Proposed Works	Notes	Financial Year
Kincorth Children's Home	Electrical Upgrade.	Upgrade covering entire house.	2018/19
Kincorth Children's Home	Kitchen replacement and minor refurbishment.	Linked to existing electrical upgrade project.	2019/20
Kincorth Community Centre	Toilet refurbishments.	Potentially part funded by Management Committee.	2018/19
Budget Change Reason:	A review of the available space shows that new disabled toilet facilities could be created, in addition to refurbishing the male and female toilets. The additional budget is required for this work which includes removal of a partition, creation of new partition and installation of associated drainage/plumbing.		
Kingswells Primary School	Establish forest nursery - 2's provision.	Part of Early Learning and Childcare – statutory Increase in provision.	2018/19
Kittybrewster School	Toilet refurbishments.	Potentially phased due to scale of work.	2019/20
Mastrick Community Centre	Window replacements.	Potentially part funded by Management Committee. Windows are in C (Poor) condition.	2018/19
Mastrick Library	Window replacements.	Windows are in C (Poor) condition.	2018/19
Memorials in City Centre	2 year budget allocation.		2017/18
Middleton Park Community Centre (Little Bods)	Improve accessibility as currently rates as C (Poor).		2018/19
Multi Storey Car Park Chapel Street	Structural repairs.		2019/20
Multi Storey Car Park West North Street	Structural repairs including works to parapets.		2019/20
New Town House Extension	Flat roof replacement.	Roof is in C (Poor) condition.	2019/20
Newhills Churchyard Cemetery Depot	New welfare modular unit. Demolish existing buildings.	Poor quality structures with significant issues. Not worth investing in so replacement preferred.	2018/19
Northfield Academy	Replacement windows and external doors to gymnasium/music block.	Windows and external doors in C (Poor) condition.	2018/19
Northfield Academy	Replacement of remaining felt flat roofs.		2019/20
Old Aberdeen House	Further repointing.		2018/19
Old Aberdeen House	Replacement of single glazed windows.		2018/19
Play Ground Equipment - Additional allocation	One off additional allocation of funds as per decision by Full Council.	Spend in 2016/17 removed.	2018/19

Appendix B - Currently Approved

Asset	Proposed Works	Notes	Financial Year
Play Ground Equipment (Various)	2 year budget allocation.		2018/19
Powis Community Centre	Window replacements.	Windows are in C (Poor) condition.	2019/20
Quarryhill Primary School	Re-render external walls. Include external decoration to be funded from R&M.	External walls are in C (Poor) condition.	2018/19
Rosemount Community Centre	Various External works (including works to boundary wall).		2018/19
Rosemount Community Centre	External improvements.		2018/19
Rosemount Community Centre	Fire escape improvements at ground floor gym.		2018/19
Rosemount Community Centre	Ground floor male toilet refurbishment. Part funded by revenue.		2018/19
Rosemount Community Centre	Window replacements - Phase 2.	Windows are in D (Poor) condition.	2018/19
Rosemount Community Centre	Damp proofing to gym and gym store.	To address ongoing water penetration issues.	2018/19
Sheddocksley Community Centre	Replacement windows and entrance doors. Accessibility improvements. Repointing of external walls.	Windows and external doors are in C (Poor) condition.	2019/20
Springbank Cemetery Depot	New welfare modular unit. Demolish existing buildings.	Poor quality structures with significant issues. Not worth investing in so replacement preferred.	2018/19
St Machar Academy	Toilet refurbishments.		2019/20
St Machar Academy	Heating plant replacement - boiler, calorifier and pressurisation unit.		2018/19
St Nicholas Pupil Centre	Window replacements. Form path to entrance.	Windows are in C (Poor) condition.	2019/20
Sunnybank School	Flat roof replacement to East block.		2018/19
Tolbooth Museum	Major roof and parapet works.		2018/19

Appendix B - Currently Approved

Asset	Proposed Works	Notes	Financial Year
Webster Park Community Facility	MUGA (Multi Use Games Area) contribution. Community Centre Management Committee funding majority of work.		2018/19
Westburn Park	Resurface access road and car park. Mark out spaces.		2018/19
Westburn Park	Replacement railings.		2018/19
Westpark School	Production kitchen refurbishment.	Part of ongoing programme of servery/production kitchen replacements.	2019/20
Woodside School	Toilet refurbishments (Two Large Blocks).		2019/20
Woodside School	Pitched roof refurbishment.	Roof is in C (Poor) condition.	2018/19

Existing Total	£ 12,933,000
Additional Total	£ 930,000

Appendix C - New Projects

Asset	Property Type	Proposed Works	Notes	Financial Year
1 Dominies Road	Group Home	Kitchen and toilet refurbishment.		2020/21
26A Rowan Road	Group Home	Window replacement.	Windows are in C-Poor condition.	2020/21
Abbotswell Primary School	School-Primary	Window replacement.	Windows are in C-Poor condition. Work may have to be phased.	2020/21
Airyhall Library	Library	Car park resurfacing and relining.	Car park is in C-Poor condition.	2020/21
B & W Depot (North) Sillerton Lane	Depot	Refurbish toilets and replace windows in toilets/welfare areas.		2020/21
Balnagask House	Home For the Elderly	Phase 1 of ensuite refurbishments.		2020/21
Beach Ballroom	Leisure Facility	Extended intruder alarm and improve security to rear of building.		2020/21
Beach Ballroom	Leisure Facility	Re-rendering works final phase.		2020/21
Beach Leisure Centre	Sports Centre	Air handling unit replacement.	The air handling units for the flume tower are inadequate and require replacement.	2018/19
(former) Braeside School	Surplus	Demolition of asset that will become surplus to requirements.	Subject to capital eligibility.	2019/20
Bramble Brae Primary School	School-Primary	Kitchen refurbishment.		2020/21
Broomhill Primary School	School-Primary	Replacement of roof light.		2020/21
Broomhill Primary School	School-Primary	Improve external/internal door security.		2020/21
(former) Bucksburn Primary School	Surplus	Demolition of surplus asset.	Subject to capital eligibility.	2019/20
Bucksburn Swimming Pool	Swimming Pool	Boiler & domestic hot water services calorifier replacement.		2019/20
Building & Works Depot Northfield	Depot	Window replacement.	Windows are in C-Poor condition.	2020/21
Building & Works Depot Hilton	Depot	Window replacement.	Windows are in D-Poor condition.	2020/21

Appendix C - New Projects

Asset	Property Type	Proposed Works	Notes	Financial Year
Central Library	Library	Renew damaged ceilings and replace associated lighting.		2018/19
Charleston Primary School	School-Primary	Replacement modular accommodation.	Unit has reached the end of its economical life.	2019/20
Catherine Street Community Centre	Community Centre (Leased)	Windows and external door replacements.	Windows are in C-Poor condition.	2020/21
Cornhill Primary School	School-Primary	Reconfiguration of entrance area and new office door required to create secure entrance.		2019/20
Culter School	School-Primary	Reconfiguration of Reception to improve security at entrance.		2019/20
Culter Sports Centre	Sports Centre	Air handling unit replacement.		2019/20
Culter Sports Centre	Sports Centre	Building management system & controls replacement.		2019/20
Cults Library	Library	Roof replacement. Roof is in C-Poor condition.		2020/21
Cults Primary School	School-Primary	Replace slabbed areas surrounding school with wheelchair friendly surface.	Need more info	2019/20
Cults Primary School	School-Primary	Sports hall flooring replacement.		2020/21
Danestone Primary School	School-Primary	Install secondary secure door at main Reception.		2020/21
Depot Bucksburn Bankhead Avenue	Depot	Window replacements.	Windows are in D-Bad condition.	2020/21
Depot Cairnwell Drive	Depot	Refurbishment.	Roof, external doors and fixtures/fittings are in C-Poor condition. Windows are in D-Bad condition.	2020/21
Duthie Park	Park	Installation of water pump/storage to comply with water byelaw's.		2018/19

Appendix C - New Projects

Asset	Property Type	Proposed Works	Notes	Financial Year
Duthie Park Workshops	Depot	Block E - Replacement/repair to sills and render. Replacement of roof drainage.	Windows are in D-Bad condition, roof drainage in C-Poor condition and external walls in C-Poor condition.	2020/21
Dyce Academy	School-Secondary	Toilet refurbishment.		2020/21
Dyce Primary School	School-Primary	Toilet refurbishment.		2020/21
Ferryhill Library	Library	Windows and blinds replacement. Both in D-Bad condition.		2020/21
Gilcomstoun School	School-Primary	Staff and pupil toilet refurbishment (excluding disabled and blue boys toilet).		2020/21
Greenbrae Primary School	School-Primary	Sprinkler booster pump installation to prevent false alarm activations. Chiller installation for cold water supply to ensure appropriate temperature.		2018/19
Grove Cemetery Depot	Depot	Install permanent toilet facilities.	Currently only a portaloo.	2020/21
Hall 5 West North Street (Childcare Services)	Day Centre- Pre School	Windows and external door replacement.	Both in C-Poor condition.	2020/21
Harlaw Academy	School-Secondary	Concrete repairs to stairwell ceiling.		2018/19
Hazlehead Academy	School-Secondary	Toilet refurbishment.		2020/21
House 13 Viewfield Avenue	Group Home	Kitchen and bathroom refurbishments.		2020/21
House 15 Viewfield Avenue	Group Home	Kitchen and bathroom refurbishments.		2020/21
House 233 Birkhall Parade	Group Home	Window replacement.	Windows are in C-Poor condition.	2020/21
Jack Wood Pavilion	Sports Pavilion	Windows and external door replacement.	Both in C-Poor condition.	2020/21

Appendix C - New Projects

Asset	Property Type	Proposed Works	Notes	Financial Year
Kincorth Library And Customer Access Point	Library	Window replacement.	Windows are in C-Poor condition.	2020/21
Kingsford Primary School	School-Primary	Toilet refurbishment.		2020/21
Kirkhill Primary School	School-Primary	Toilet refurbishment		2020/21
Linx Ice Arena	Indoor Sports Facility	Building management system & controls replacement.		2020/21
Loirston Community Centre	Community Centre (Leased)	Roof refurbishment.	Roof is in C-Poor condition.	2020/21
Maritime Museum	Museum	Replacement entrance doors.	Doors not fully operational.	2019/20
Mastrick Ind Est - OT Store	Premises (Commercial)	Windows and external door replacement.	Both in C-Poor condition.	2020/21
Middleton Park - Little Bods	Day Centre- Pre School	Window replacement, gutter/downpipes replacement and fascia replacement.	All C-Poor condition.	2020/21
Nellfield Cemetery Depot	Depot	New welfare modular unit. Demolish existing buildings.	Building is in C-Poor condition overall.	2020/21
Northfield Academy	School-Secondary	Repairs to external walls - C&D blocks.	External walls are in C-Poor condition.	2020/21
Northfield Community Centre	Community Centre (Leased)	Window replacements and pitched roof refurbishment.	Both are in C-Poor condition.	2020/21
Northfield Library	Library	Window replacements and pitched roof refurbishment.	Both are in C-Poor condition.	2020/21
Quarryhill Primary School	School-Primary	Replace cast iron gutters and downpipes.	Roof drainage is in C-Poor condition.	2020/21
Quarryhill Primary School	School-Primary	Staff toilet refurbishment.	In C-Poor condition.	2020/21
Quarryhill Primary School	School-Primary	Car park and access road resurface.	Both C-Poor condition.	2020/21
Quarryhill Primary School	School-Primary	Window replacement.	Windows are in C-Poor condition.	2020/21
Rosemount Community Centre	Community Learning Centre	Resurfacing of access road and realignment of gate.	Car park is in C-Poor condition.	2020/21

Appendix C - New Projects

Asset	Property Type	Proposed Works	Notes	Financial Year
Sheddocksley Sports Centre	Sports Centre	Car park resurfacing and relining.	Car park is in C-Poor condition.	2020/21
St Josephs R. C. School	School-Primary	Remaining toilet refurbishments.		2020/21
St Josephs R. C. School	School-Primary	Window replacement.	Windows are in C-Poor condition. Work will have to be phased.	2020/21
(former) Stoneywood School	School-Primary	Demolition of a surplus asset.	Subject to capital eligibility.	2019/20
Torry Community Centre	Community Centre (Leased)	Windows replacement, re-render walls and replace downpipes/gutters.	All in C-Poor condition.	2020/21
Trinity Cemetery Depot	Depot	Refurbishment.	Roof and windows are in C-Poor condition.	2020/21
Tullos Depot	Depot	Windows and flat roof replacement.	Both are in C-Poor condition.	2020/21
Tullos Depot	Depot	Salt store replacement.	In serious disrepair.	2020/21
Westburn House	Surplus	Structural survey & structural Stability/H & S works.	Required to prevent any risk of collapse of a listed building and to prevent potential injury to staff or the public.	2019/20
Woodside Library	Library	Windows and external doors replacement.	Windows are in D-Bad condition and external doors are in C-Poor condition.	2020/21
Woodside School	School-Primary	Reconfiguration of main entrance to provide secure waiting area, relocate main office from 1st floor to ground floor.		2020/21
Health & Safety - Rolling programme	Various	Rolling programme of H&S works.		2020/21
Memorials in City Centre - Rolling programme		Rolling programme of stabilisation and H&S works to memorials.		2020/21

Appendix C - New Projects

Asset	Property Type	Proposed Works	Notes	Financial Year
Play Ground Equipment - Rolling programme	Play areas	Rolling programme of play ground equipment renewal.		2020/21

Total	£ 7,888,000
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Appendix D - Projects to be Removed

Asset	Proposed Works	Notes
Ashgrove Nursery Infant School	Establish forest nursery - 2's provision.	As the early years programme has developed the need for this project has been superseded. Alternative options for increasing capacity in this area are being progressed.
Balnagask House	Boiler replacement.	Will now be connected to the Torry district heating network, so boiler will be redundant.
Bridge of Don Swimming Pool	Replacement of roof and solar panels. CEEF to potentially provide funding for panels.	Surveys commissioned by Sport Aberdeen indicate roof does not currently require replacement. Remedial work has been carried out to address minor water penetration issues. Condition is being monitored.
Frederick Street Training Centre And Customer Contact Centre	Further repointing and covering of parapets.	Building will likely become surplus following relocation of current operational uses.
House 11 Craigendarroch Place	Window, external door and heater replacement. Potentially kitchen replacement as well.	Work has been funded from the Stocket Parade C&S budget. Although not on the same site the house is managed as part of that development/service.
Leaside Road (Former) Community Centre	Demolition	Asset sold. Developer assumes responsibility for demolition.

Appendix E - Future Projects

Property Address	Proposed Work
116 Westburn Road	Reconfiguration of space to support additional teams.
26A Rowan Road	Kitchen refurbishment.
Abbotswell Primary School	Catering kitchen refurbishment.
Allenvale Cemetery Depot	Refurbishment and rationalisation of space.
Altens Community Centre	Additional parking - subject to land transfer
Aulton Pavilion	Replacement of building management system & controls.
Beach Leisure Centre	Refurbishment of changing village and associated toilets.
Charleston Primary School	Suitability improvements - to be scoped.
Cornhill Primary School	Suitability improvements - to be scoped.
Culter Library	Refurbishment of staff areas.
Depot Bucksburn	Reconfiguration of office and electrical upgrade.
Duthie Park Workshops	Toilet and changing refurbishment.
Dyce Academy	Sports hall flooring replacement.
Ferryhill Primary School	Toilet refurbishment.
Hanover Community Centre	Replacement flooring in main and side halls
Harlaw Academy	Suitability improvements - to be scoped.
Holy Family R.C. Primary School	Toilet refurbishment.
House 233 Birkhall Parade	Replacement kitchen.
Jack Wood Pavilion	Changing/toilet refurbishment. In C-Poor condition.
Kincorth Area Office	External security lighting
Kincorth Sports Centre	Sports hall flooring replacement.
Kingsford Primary School	Suitability improvements - to be scoped.
Kingswells Primary School	Suitability improvements - to be scoped.
Kirkhill Primary School	Suitability improvements - to be scoped.
Kittybrewster School	Suitability improvements - to be scoped.
Loirston Primary School	Toilet refurbishment.
Maritime Museum	CCTV upgrade.
Maritime Museum	Replacement tannoy system.
Maritime Museum	Replacement of heating and ventilation/air conditioning.
Muirfield School	Playground resurfacing.
Northfield Community Centre	Toilet refurbishment and installation of showers
Oldmachar Academy	Suitability improvements - to be scoped.

Appendix E - Future Projects

Property Address	Proposed Work
Playing Fields Pavilion Torry Academy	Refurbishment including upgrading foot fall access.
Ruthrieston Community Centre	Male and female toilet refurbishment.
Skene Square Primary School	Toilets refurbishment.
St Machar Academy	Replace/rationalise modular units.
Sunnybank School	Suitability improvements - to be scoped.
The Quarry Centre	Wider refurbishment/reconfiguration.
Tullos Depot	Toilet and changing area refurbishment.
Tullos Primary School	Suitability improvements - to be scoped.
Walker Road School	Suitability improvements - to be scoped.
Westpark School	Toilet refurbishment.

Condition

- A: Good - performing well and operating efficiently
- B: Satisfactory - performing adequately but showing minor deterioration
- C: Poor - showing major problems and/or not operating adequately
- D: Bad - life expired and/or serious risk of imminent failure

Suitability

- A: Good - performing well and operating efficiently. The buildings support the delivery of the service and are considered suitable for use now and in the future.
- B: Satisfactory - performing well but with minor issues. The buildings generally support the delivery of services and would be considered suitable. There is room for improvement in certain areas but the property is fundamentally okay.
- C: Poor - showing major problems and/or not operating optimally. The buildings impede the delivery of services and would not be considered suitable.
- D: Bad - does not support the delivery of services at all. The buildings seriously impede the delivery of services and would definitely not be considered suitable.

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ABERDEEN CITY COUNCIL

COMMITTEE	City Growth and Resources
DATE	18 September 2018
REPORT TITLE	Finance for business
REPORT NUMBER	PLA/18/149
DIRECTOR	
CHIEF OFFICER	Richard Sweetnam
REPORT AUTHOR	Andrew Stephen
TERMS OF REFERENCE	2.3

1 PURPOSE OF REPORT:

- 1.1 To update Members on Business Loans Scotland and to seek approval for the implementation of the Co-operative Business Development Fund

2 RECOMMENDATION

That the Committee:-

- 2.1 Note that the Council's investment in Business Loans Scotland of £225,000 will be repaid when the loan fund is closed;
- 2.2 Approve the Council's continued participation in a new national loan fund model whereby appropriate council officers will only be required to carry out initial verification of local businesses with all due diligence being carried out by a specialist team. As the Scottish Government is providing all the loan funding there will be no direct financial implications to the Council; and
- 2.3 Approve the implementation of the Co-operative Business Development Fund to support local businesses to deliver pilot projects and events designed to increase their business prospects per the proposals at 3.8-3.13.

3 Business Loans Scotland

- 3.1 At the Policy and Resources Committee of 15th September 2015, the Council agreed to join a pan-Scotland Business Loan Fund comprising all local authorities. The loan fund required councils to be part funders along with the Royal Bank of Scotland and the European Regional Development Fund. This Council invested £225,000.

- 3.2 The Business Loan Scotland (BLS) fund of almost £8 million was launched in April 2017. The allocation for the Aberdeen City area was £400,000. The fund had an expected life of 24 months and offered loans to small and medium-sized enterprises of between £25,000 and £100,000.
- 3.3 The fund had many constraints to lending including the need for 50% match funding and required outputs including increases in staff employment and demonstrating the aspiration to export.
- 3.4 Sixteen months into the Fund only £1.9 million of loans have been issued across Scotland. It is accepted by the Loan Board and Regional Management groups that the fund was launched at a time when business confidence was low and the risk of being unable to repay loans was significant. These two factors have undermined the strategy on which the fund was based. Locally, despite extensive marketing, no viable applications have been received since April 2017. In most cases, potential applicants were not able or prepared to offer any security and/or match funding.
- 3.5 Recognising these issues, the Scottish Government is in the final stages of agreeing with BLS a new loan fund of £10 million, with fewer constraints and greater flexibility especially regarding processing time. The Government will provide all the funds, thus removing risk to Councils. The Government will employ a central team of experts to carry out the due diligence and monitor loan repayments – local councils will be able to input through initial local verification of the business and its proposals.
- 3.6 At the time of writing full details of the scheme and its management have still to be agreed. An information update will be circulated to members and will only be presented to the committee if a decision is required.
- 3.7 The Committee should note that the Scottish Government are establishing two additional private sector funds that in total will make available almost £30m of loan funding. As less than £2m has been awarded from the current scheme there is a likelihood of overprovision especially as there is little evidence that businesses have the confidence to embark on growth strategies.

Co-operative Business Development Fund

- 3.8 At its budget meeting in March 2018, the Council approved an annual allocation of £75,000 to establish a Co-operative Business Development Fund. This Fund will be managed by City Growth.
- 3.9 Officers have subsequently been working on proposals for the implementation of this fund to secure the most impact and benefit for local businesses and the wider economy. It is proposed that the following are core criteria for applications to the fund:
- It will only be open to micro and small businesses, charities and social enterprises (i.e. those with fewer than 49 employees) who are based within the Aberdeen City Council administrative area;

- Grant awards will be capped at £10,000, with a minimum grant level of £5,000. Applications will be expected to evidence some match resources, which could be cash or in-kind;
- To fulfil the co-operative element of the fund, proposals for support must be able to demonstrate the active involvement of at least three local businesses, charities or social enterprises;
- Proposals will have to be able to demonstrate a positive impact on local neighbourhoods or localities and show how communities have been / can be engaged in activities;
- Given the scale of the fund and the likely value of projects, outcomes will be locally designed by applications but will be expected to show economic value. Creative interpretations of how to evidence this will be welcomed;
- Applications will be encouraged from all sectors; it is anticipated that the fund will be particularly attractive to the creative, retail, cultural, leisure and hospitality sectors given its focus and the relatively low initial values involved;

3.10 Early work to inform the development of the fund has included a business engagement programme with high quality independent retailers in the city. This sector is vital in adding that shopping ‘spark’ encouraging locals and visitors to enjoy different products not available elsewhere including online. The programme aims to capture opinions from about 100 business but already trends are appearing. The most consistent views focus on Business Rates, the downturn in the economy, the dwindling footfall especially in secondary shopping areas and more flexible car parking. The Co-operative Business Development Fund could support collective activities that look to stimulate footfall and local vibrancy and improve economic viability.

3.11 The City Events team have a well-founded programme of business engagement developed for the Tour Series and Great Aberdeen Run that also brings collaboration with partners including Event Scotland and Visit Scotland. The team also is well experienced on safety requirements and procedures. Building on this, it is anticipated that applications to the Co-operative Business Development Fund could deliver cultural and arts presence at small local events, making them more engaging and attractive for everyone and showcasing district business communities. This could have longer-term gains in terms of ongoing trade improvements.

3.12 It is anticipated that grants through the fund will be capped at £10,000, with potentially 10 projects supported in the financial year. If Committee approval is secured, the intention would be to open the fund for applications on 1st October 2018 to enable proposals for the festive season to be considered.

3.13 A short application process, including guidance notes and an application form, is being developed and will be tested by colleagues in finance and legal to check that it is sufficiently robust and proportionate to the level of grants likely to be awarded.

4 FINANCIAL IMPLICATIONS

- 4.1 The reimbursement of the Council's contribution to the Business Loans Scotland fund will most likely take place in the current financial year.
- 4.2 The costs of the Business Co-operation programme 2018/19 are contained within existing budgets and there are no other direct financial implications arising from recommendations in this report. Costs of promotion and documentation will be contained within the programme budget.

5 LEGAL IMPLICATIONS

- 5.1 A proportionate legal agreement to cover the grant awards will need to be developed. It will include the latest guidance on State Aid issues, although this is unlikely to be a significant issue given the level of grant award.

6 MANAGEMENT OF RISK

	Risk	Low (L), Medium (M), High (H)	Mitigation
Financial	Council funds are misused / do not deliver appropriate outcomes	LOW	Scrutiny of outcomes and VFM assessment
Legal	Health and Safety / Public Liability Compliance	LOW	Trained and experienced staff in event delivery
Employee	None	NA	
Customer	Lack of take-up of Co-operative Business Development Fund	LOW	Effective marketing campaign in place alongside experience staff supporting proposal development
Environment	None	NA	
Technology	None	NA	
Reputational	Perceived poor value for money achieved for Council investment	LOW	Scrutiny of outcomes and VFM assessment

7 OUTCOMES

Local Outcome Improvement Plan Themes	
	Impact of Report

Prosperous Economy	Support and encourage sustainable local businesses.
Prosperous People	Provide economic and social opportunities.
Prosperous Place	Enable communities to become sustainable, dynamic and vibrant. Supports community activity in priority localities.

Design Principles of Target Operating Model	
	Impact of Report
Customer Service Design	The application process for the Co-operative Business Development Fund will be designed to be accessed online, with user-friendly interfaces and facilities such as FAQs. The process (and subsequent legal and financial agreements) will be robust and proportionate to the level of award involved.
Process Design	See above.
Partnerships and Alliances	The fund will be promoted across a wide range of partnership networks in the city and through the Community Planning Partnership. It is expected that new local alliances / co-operatives will be generated.

8 IMPACT ASSESSMENTS

Assessment	Outcome
Equality & Human Rights Impact Assessment	Not required
Data Protection Impact Assessment	Not required
Duty of Due Regard / Fairer Scotland Duty	Not required

9 BACKGROUND PAPERS

None

10 APPENDICES (if applicable)

None

11 REPORT AUTHOR CONTACT DETAILS

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ABERDEEN CITY COUNCIL

COMMITTEE	City Growth & Resources
DATE	18 September 2018
REPORT TITLE	External Funding & Partnerships
REPORT NUMBER	PLA/18/143
DIRECTOR	
CHIEF OFFICER	Richard Sweetnam
REPORT AUTHOR	Laura Paterson
TERMS OF REFERENCE	Purpose of Committee: 1

1. PURPOSE OF REPORT

- 1.1 This purpose of this report is to seek approval to apply for and, if successful, enter into a grant agreement for external funding opportunities through the Interreg North West Europe (NWE) programme and nominate an Elected Member to be the UK representative for the Conference of Peripheral Maritime Regions' Political Bureau.

2. RECOMMENDATIONS

That City Growth & Resources Committee:-

- 2.1 Note submission of an application to Interreg NWE's Hydrogen Waste Vehicles in North West Europe (HyWAVE) project, and pursuant to a successful application:
- a) Note the making by the Council of an application to Interreg North West Europe for grant funding of €650,955 (£576,066);
 - b) Note that entry into a grant agreement is subject to approval by the Head of Commercial & Procurement Services, following consultation with the Convener of City Growth & Resources Committee and the Chief Officer – Finance;
 - c) Approve expenditure by the Council of that grant funding and the additional sum of €433,970 (£383,864) from existing Fleet Services budget over a three year period towards the abovementioned project;
 - d) Approve overseas travel for two officers to attend two partner meetings and annual conferences per year connected with this project, costs of which are included in the above budget and recoverable from the Interreg NWE programme.

- 2.2 Nominate an Elected Member to the role of either substantive or alternate UK Representative to the Conference of Peripheral Maritime Regions' (CPMR) Political Bureau and, subject to successful nomination:
- a) Approve international travel for the Elected Member and an Officer to attend up to three CPMR meetings per year in this role, subject to Aberdeen City Council's 2019/20 budget setting process.

3. BACKGROUND

3.1 Aberdeen City Region Hydrogen Strategy 2015-25

- 3.1.1 Aberdeen City Region Hydrogen Strategy and Action Plan was approved by CHI Committee in March 2015. The aim of the strategy is to maintain and build on Aberdeen's existing lead in the hydrogen sector and continue to be the lead hydrogen energy hub in Scotland, UK and Europe. The strategy lists a number of objectives which the HyWave project supports, including:
- 3.1.2 *"Fleet replacement – work with Fleet to develop a clear strategy for vehicle change out over the remainder of the hydrogen strategy timeframe."*
- 3.1.3 The HyWAVE project will support this deliverable through the introduction of a fuel cell waste truck to the city's fleet.

3.2 Hydrogen Waste Vehicles in Europe (HyWAVE)

- 3.2.1 The Hydrogen Waste Vehicles in Europe project is a transnational project led by HyER. It is funded by the Interreg North West Europe programme which contributes towards up to 60% of total eligible costs. The HyWAVE project will develop and deploy hydrogen fuel cell waste garbage trucks to five cities in Europe. Aberdeen is the only UK partner. As a testbed of this technology, the Council's Fleet Services will purchase and operate one fuel cell garbage truck. The fuel cell garbage truck will be measured against existing fleet vehicles including in operational activities, such as range and reliability. It is anticipated that there will be a positive impact upon noise and air pollution in the routes which the vehicle uses as it produces zero emissions.

3.4 Interreg North West Europe (NWE)

- 3.4.1 This project is funded by the Interreg NWE Programme. Interreg North West Europe is a European Territorial Cooperation Programme funded by the European Commission. It is comprised of eight countries from the geographic north west area of Europe, including the UK, France and Germany.
- 3.4.2 The programme contributes towards 60% of total eligible project costs, which includes costs associated with staff, office overheads, travel, external expertise, equipment and infrastructure. Aberdeen City Council is currently involved with two Interreg NWE projects. Officers from Finance and the External Funding & Partnerships Team are experienced with delivering projects which comply with programme rules and regulations.

3.5 Conference of Peripheral Maritime Regions (CPMR)

- 3.5.1 The Conference of Peripheral Maritime Regions (CPMR) is a membership body which represents 200 million people from 25 countries in and surrounding Europe. The organisation focuses on representing members' interests by lobbying national and international governments and institutions. The Political Bureau is the organisation's main decision-making body. Only politicians can sit on the Bureau with subsequent voting rights.
- 3.5.2 Member regions from each country nominate a representative to the Political Bureau. The current representative is stepping down at CPMR's Annual General Assembly in October 2018. The Secretariat are currently seeking nominations from UK member regions to become the country's substantive and alternate representatives. The vote will take place at the UK Partners Meeting at the Annual General Assembly.
- 3.5.3 Aberdeen City is an active member of CPMR, regularly attending Climate and Energy Taskforce meetings. City representatives also hold a number of positions in the CPMR'S trans-national North Sea Commission, including Chair of the Smart Regions Group and Vice Chair of the Transport Group. The city also has a strong voice on the North Sea Commission's Brexit Taskforce.
- 3.5.4 A report by the London School of Economics stated that Aberdeen could be the worst hit of UK regions by a hard Brexit deal. Active participation in transnational membership organisations ensures that the city has a strong voice in political lobbying during and post Brexit. The member will also act to represent and vote on such matters as cohesion and energy policies.

4. FINANCIAL IMPLICATIONS

4.1 Hydrogen Waste Vehicles in Europe (HyWAVE)

- 4.1.1 Total project costs for Aberdeen City Council participating in the HyWAVE project are €1,084,925 (£960,110). This budget includes allocation for the purchase, maintenance and fuel costs of one hydrogen fuel cell garbage truck for the three year period, as well as staff costs associated with driving the truck and managing the project.
- 4.1.2 Aberdeen City Council will contribute €433,970 towards the project over a three year period. This is equivalent to £383,864 at the current exchange rate of 1.13 (as at July 2018). It is intended that this match funding will be realised through an equivalent contribution from existing Fleet Services budget of costs associated with the purchase, maintenance, fuelling and staffing of an equivalent diesel model currently in the fleet.

4.2 Conference of Peripheral Maritime Regions (CPMR)

- 4.2.1 Members of the Political Bureau formally meet three times a year – two specific Political Bureau meetings and the Annual General Assembly. The UK Political Bureau Representative may be asked to attend other meetings, such as chairing UK Member Meetings to steer current issues and future planning.

- 4.2.2 Budget and international travel to the Annual General Assembly in October was approved in a European Travel Plan submitted to City Growth & Resources Committee in April 2018.
- 4.2.3 A Political Bureau meeting will be held in France in March 2019. The costs of which are estimated to be £1,500. These costs will be absorbed by the existing travel budget, as approved by City Growth & Resources Committee 2018.
- 4.2.4 It is estimated that travel costs for an elected member and one officer to attend three CPMR Political meetings per year will be £4,500. Attendance at the CPMR Annual General Assembly, at an estimated cost of £1,500, is already included in the European Partnerships Travel Plan. Appointment as UK Political Bureau Representative is estimated to incur additional costs of £3,000 per annum. These costs will be incorporated into future travel plans which are submitted to Committee for approval and are subject to Aberdeen City Council's budget setting processes.

5. LEGAL IMPLICATIONS

5.1 General Powers Delegated to Chief Officers:

“23) Following consultation with the Convener of the City Growth and Resources Committee, to approve applications for, and to accept, grant funding, provided that the terms and conditions of such funding have been approved by the Chief Officer - Finance and the Head of Commercial and Procurement Services before acceptance.”

As such, the Chief Officer - Finance and the Head of Commercial and Procurement Services will be required to review the Financial and Legal Terms & Conditions of the Interreg NWE grant agreement which will be dictated by French law - where the Joint Secretariat resides.

- 5.2 It should be noted that Interreg funding comes from the European Union's European Regional Development Fund (ERDF). The implementation period for the proposals will start before the UK's exit from the EU on 29 March 2019 and will continue during the transitional period. A draft of the Withdrawal Agreement was published on 19 March 2018 with a final Withdrawal Agreement for the transitional period anticipated for October 2018. The Withdrawal Agreement will govern the UK's position in relation to the EU during the period from 29 March 2019 to 31 December 2020, the transitional period. The current draft does not appear to provide specifically for the ERDF and whether it will continue to apply. There is a general provision that if a matter of EU law is not covered by the agreement then EU law will continue to have effect.¹ It therefore appears that the UK's access to the ERDF will not be affected during the period of implementation. It should be noted however that although this is an agreed term, nothing is certain until it has been agreed and signed.

6. MANAGEMENT OF RISK

¹ Article 122 : <https://www.gov.uk/government/publications/draft-withdrawal-agreement-19-march-2018>

	Risk	Low (L), Medium (M), High (H)	Mitigation
Financial	Failure to comply with Interreg NWE procurement procedures	L	Staff have led procurement exercises for this programme before and are fully aware of rules and regulations that must be adhered to, to ensure that full funding levels are awarded
	Project overspend	L	Regular monitoring of budget
	Exchange rate	L	Continuously review project budget in light of fluctuations
Legal	Failure to comply with grant agreement – such as inability to meet the project within said timescale	L	Contingencies are in place to ensure project milestones are realistic and will be met
Employee	Participation in projects will result in increased demand on staff resources	M	Staff across services are already engaged in these projects and associated staff costs are incorporated into the projects plan – of which 60% is recoverable from the project
	Change in staff resourcing may result in resource not being devoted to project	M	Ensure successor planning built into risk management
Customer	Delays in project may impact deployment timescales for operators	L	Flexibility will be built into contracts and delivery strategies
Environment	The vehicles must be safe and compliant with HSE regulations	L	Suppliers will be appropriately checked to ensure safety aspects of delivery are not compromised
Technology	Failure in maintenance supply chain may result in operation downtime	L	A schedule of components and their supply routes will be compiled to ensure that

			any maintenance items are easily traceable and accessible
Reputational	Failure to deliver project could result in a loss of the city's reputation as a world leader in hydrogen technology	L	Officers have experience of development and delivery of hydrogen vehicles in the city
	Demand fails to materialise for vehicles	L	These are demonstration projects and funding is provided to test market and operations

7. OUTCOMES

Design Principles of Target Operating Model	
	Impact of Report
Partnerships and Alliances	Participation in external transnational partnerships results in increased external funding and investment to Aberdeen.

Local Outcome Improvement Plan Themes	
	Impact of Report
Prosperous Economy	Delivers on LOIP primary drivers of: Investment in infrastructure; innovation; inclusive economic growth; and internationalisation.

8. IMPACT ASSESSMENTS

Assessment	Outcome
Equality & Human Rights Impact Assessment	Full EHRIA not required
Privacy Impact Assessment	Not required
Duty of Due Regard / Fairer Scotland Duty	Not applicable

9. BACKGROUND PAPERS

Hydrogen Strategy for the Aberdeen City Region 2015-25;
 CHI/17/303, Aberdeen City Region Hydrogen Strategy 2015-25 Update, 16
 January 2018;

10. APPENDICES


1. HyWAVE Business Case

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	<p>Corporate Project Management Toolkit</p> <h1>Business Case</h1>	<p>Project Stage Define</p>
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Project Name	HyWAVE (HYdrogen WAsTe VEHicles)	Date	02/08/18
Author	Laura Paterson	Version	1.0

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Business Case

DRAFT

1. Business Need

Aberdeen has developed an international reputation as a 'centre of excellence' for hydrogen and fuel cell technologies and is Scotland's leading deployment centre for hydrogen technologies. The city is home to Europe's largest fleet of fuel cell buses and Aberdeen City Council has incorporated several other hydrogen fuel cell vehicles into the city fleet in recent years, including vans, cars and a roadsweeper.

Policy drivers for hydrogen (h2) development include:

- New petrol and diesel cars and vans to be phased out by 2032 (Scottish Government, 2018);
- 60% of domestic energy provided by hydrogen and 100% of cars and vans powered by hydrogen by 2050 (Scenario 2, Scottish Energy Strategy, 2018);
- Introduce Low Emission Zones in each of Scotland's 4 biggest cities by 2020 (Building Scotland's Low Emission Zones, 2017)
- NO₂: Annual mean concentration of 40 ug/m³ and an hourly mean concentration of 200 ug/m³ to be exceeded no more than 18 times per year (Statutory EU and Scottish Air Quality targets 2010);
- Pm₁₀: Annual mean concentration of 18 g/m³ and 24-hour mean concentration of 50 g/m³ to be exceeded no more than 7 times a year (Statutory EU and Scottish Air Quality targets 2010);
- 90% reduction in GHG emissions by 2050 from baseline (draft Scottish Climate Change Bill 2018).

The HYdrogen WAsTe VEhicle in North West Europe (HyWAVE) project will introduce a hydrogen fuel cell waste truck to the city fleet. The project is funded by the Interreg NWE Programme. Up to 60% of total eligible project costs are recoverable from the programme. Using existing Fleet budget of comparable costs of a diesel truck, the programme intervention will facilitate the demonstration of a hydrogen fuel cell garbage truck.

This project will trial operational viability of an ultra low emission vehicle (ULEV) compared to traditional diesel and dual fuel versions. A number of factors will be evaluated, including: life span; reliability; range; environmental benefits; public opinion; and operational benefits, such as being utilised later in the day due to reduced noise and toxic emissions.

This project supports a number of objectives as identified in the Aberdeen City Region Hydrogen Strategy and Action Plan 2015-25, including:

- 1) Promote vehicles deployments by a range of stakeholders in the region

This objective was reviewed by Communities, Housing & Infrastructure Committee 16th January 2018 with the specified outcome of:

Fleet replacement – work with Fleet to develop a clear strategy for vehicle change out over the remainder of the hydrogen strategy timeframe.

Participation in the project supports the eventual commercialisation of hydrogen and fuel cell vehicles. Deployment of more hydrogen vehicles contributes to the hydrogen supply/demand chain in the city, resulting in more competitively priced vehicles, refuelling and infrastructure.

An investment in ULEVs is a primary driver in the Local Outcome Improvement Plan, with an increase of hydrogen vehicles identified as one of the improvement measures of the Investment in Infrastructure priorities.

A review of the Local Transport Strategy is one of the Coalition Priorities in the Policy Statement. This will be linked to wider national and regional strategies, such as a commitment by the Scottish Government to ban new diesel and petrol vehicles by 2032. The deployment of a ULEV waste truck supports this strategy and ensures Aberdeen City has the infrastructure and experience to operate vehicles by the time the legislation comes into place.

2. Objectives (based on Aberdeen City Region Hydrogen Strategy and Action Plan)

1. Promote hydrogen vehicle deployments by a range of stakeholders in the region by integrating new vehicle technology to Aberdeen City Council’s Waste Management Fleet
2. Expand production and distribution of renewable hydrogen by creating increased refuelling demand through increased vehicles
3. Promote a greater understanding and acceptance of hydrogen technologies through communication and education activities by advertising the technology on the vehicle and working with Fleet to ensure the vehicle operates on a public route which will communicate the technology to city communities
4. Ensure strategy and policy development at all levels of government are supportive of hydrogen technologies by reviewing environmental and operational benefits of a fuel cell vehicle compared to diesel and incorporating results into organisational strategy and policy development

3. Options Appraisal

3.1 Option 1 – Do Nothing

Description	An application is not submitted to Interreg NWE and existing budget is used to purchase a diesel waste vehicle. This option does not support ACC organisational or Scottish Government national objectives as listed in the above Hydrogen Strategy, Scottish Government emission targets, Regional Economic Strategy or Local Transport Strategy.
Expected Costs	No additional spend to existing budget
Risks Specific to this Option	<p>This option does not support a number of city and region strategies as it fails to utilise external funding for the development of ultra low carbon vehicles.</p> <p>Diesel vehicles produce higher air quality and noise emissions than ULEVs which poses an increased risk to the environment and community.</p>
Advantages & Disadvantages	<p>Advantages:</p> <ul style="list-style-type: none"> Fleet continue to use existing vehicle which they are familiar with and can accurately gauge costs and reliability <p>Disadvantages:</p> <ul style="list-style-type: none"> Failure to utilise an external funding opportunity to trial a hydrogen waste truck Does not support city or regional strategies Diesel vehicle releases higher emissions than fuel cell hydrogen equivalent
Other Points	n/a

3.2 Option 2 – Participate in Project

Description	This option is to submit an application to the Interreg NWE programme for financial support in the demonstration of a hydrogen fuel cell waste truck. It meets all of the objectives as listed above.
Expected Costs	Total estimated costs of this project are approximately £950,000. Interreg NWE has an intervention rate of 60%. Existing fleet budget of equivalent costs of a diesel truck will be used as ACC match funding. Essentially the externally funding from Interreg NWE contributes to the demonstration costs of a hydrogen fuel cell waste vehicle.

Business Case

Risks Specific to this Option	This is a demonstration project and as such a number of operational activities will be tested during the project, such as vehicle reliability.
Advantages & Disadvantages	<p>Advantages:</p> <ul style="list-style-type: none"> • Supports key objectives of city and region strategies; • Utilises external funding opportunity to trial new technology, ultimately reducing cost to ACC; • This is an ultra low emission vehicles, which has positive environmental effects; • Has the potential to widen operational delivery of Waste Services – due to reduced noise, vehicle could be used earlier/later in the day; • Ensures ACC has experience of operating ULEV waste vehicles by the time the petrol/diesel ban comes into place in 2032 <p>Disadvantages:</p> <ul style="list-style-type: none"> • This is a demonstration project and operational factors, such as range and lifespan, are estimated
Other Points	n/a

3.3 Scoring of Options Against Objectives

Use the table below to score options against the objectives in order to create a shortlist of options to be considered.

Objectives	Options Scoring Against Objectives							
	1	2	3	4	5	6	7	8
Promote H2 Deployment	-1	3	0	0	0	0	0	0
Expand H2 Production	-1	1	0	0	0	0	0	0
Engagement with communities	-1	1	0	0	0	0	0	0
Contribute to strategy development	-1	3	0	0	0	0	0	0
	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0
Total	-4	8	0	0	0	0	0	0
Ranking								

Scoring


Fully Delivers = 3

Mostly Delivers = 2

Delivers to a Limited Extent = 1

Does not Deliver = 0

Will have a negative impact on objective = -1

 <p>ABERDEEN CITY COUNCIL</p>	<p>Corporate Project Management Toolkit</p> <p>Business Case</p>	<p>Project Stage</p> <p>Define</p>
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3.4 Recommendation
<p>Based on the above, it is recommended to submit an application to Interreg NWE to support the deployment of a hydrogen fuel cell waste vehicle in the city.</p>

4. Scope
<p>This project will deploy a hydrogen fuel cell waste truck to Aberdeen City Council Fleet. It is a demonstration project and a number of factors will be measured to ascertain whether further procurement of this technology is beneficial to council services at the end of the project period. Factors which are to be measured include: costs (purchase, maintenance, refuelling); reliability; range; environmental impact; and public perception. The project will be led by Fleet Management with support from the External Projects & Partnerships Team.</p>

4.1 Out of Scope
<p>This is a three year project. Maintenance and refuelling costs are included during this period but costs thereafter will return to be the responsibility of Fleet Services. However, the current lifespan of a diesel waste vehicle is 3-4 years so project delivery costs are in line with current lifespan of the diesel vehicle this hydrogen fuel cell version is intended to replace.</p>

Business Case

5. Benefits

5.1 Customer Benefits

Benefit	Measures	Source	Baseline	Expected Benefit	Expected Date	Measure Frequency
Increased vehicles encourage more competitive purchase price for fuel	Comparable price with Diesel	ACC H2 Project Team	£8 per kg	£3-5 per kg	Dec 21	Annual
Lower Greenhouse Gas Emissions (GHG) promoting a healthier city	GHG emission measurements	ACC H2 Project Team	460 tonnes CO2e	Increase on baseline	Dec 21	Annual
Public acceptance of zero emission transport technologies	Public satisfaction surveys	ACC H2 Project Team	Original survey from previous projects	Increase in public satisfaction	Dec 21	Annual

5.2 Staff Benefits

Benefit	Measures	Source	Baseline	Expected Benefit	Expected Date	Measure Frequency
Personal development	1 x FTE Fleet driver for three year	ACC		1 x FTE	Jan 19	Quarterly



Business Case

Project Stage
Define

opportunities to engage with the hydrogen and renewables sector and increase learning opportunities	period at G10 Project Management by Fleet Services, H2 Project Team and External Funding Team			Fleet Driver		
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5.3 Resources Benefits (financial)

Benefit	Measures	Source	Capital or Revenue?	Baseline (£'000)	Saving (£'000)	Expected Date	Measure Frequency
External funding to deliver pilot	No additional cost to ACC compared to diesel vehicle equivalent and existing staff costs	ACC	Revenue	£383,864	-	Dec 21	Annual

6. Costs

6.1 Project Capital Expenditure & Income

(£'000)	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Total
Staffing Resources											
Add cost items under each heading											
Land Acquisitions											

Business Case

New Vehicles, Plant or Equipment												
Construction Costs												
Capital Receipts and Grants												
Sub-Total												

6.2 Project Revenue Expenditure & Income

(£'000)	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Total
Staffing Resources											
1 x FTE Fleet Driver	33	33	33								
Various staffing for Project Management (from Fleet Services, H2 Project, External Funding Teams)	7	7	7								
Non Staffing Resources											
Waste truck	531										
Maintenance		28	28								
Depot Upgrade	4										

Business Case

Refuelling	25	25	25								
Travel	4	4	4								
Engagement & Comms Activities	2	2	2								
Overheads @ Interreg rate of 15% (inc office equipment, insurance, contingency etc)	91	15	15								
Management fees	11	11	11								
Revenue Receipts and Grants											
Interreg NWE Funding	425	75	75								
Sub-Total	283	50	50								

* Application is in Euro, these workings take current exchange rate of 1.13 to determine GBP equivalent – July 18*

6.3 Post- Project Capital Expenditure & Income

(£'000)	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Total
Staffing Resources											
Add cost items under each heading											
Land Acquisitions											
New Vehicles, Plant or Equipment											



Business Case

Construction Costs												
Capital Receipts and Grants												
Sub-Total												

6.4 Post- Project Revenue Expenditure & Income												
(£'000)	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Total	
Staffing Resources												
Add cost items under each heading												
Non Staffing Resources												
Revenue Receipts and Grants												
Sub-Total												

	<p>Corporate Project Management Toolkit</p> <h2>Business Case</h2>	<p>Project Stage</p> <h2>Define</h2>
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7. Procurement Approach
Will use existing Fleet Services Procurement Framework.

8. Key Risks	
Description	Mitigation
Procurement – delays in tendering process	Procedure agreed in advance of hearing outcome of application so that activity can commence as soon as period starts
Environmental – ensuring a safe system	Suppliers will be appropriately checked to ensure safety aspects of delivery are not compromised.
Technical/Operational – maintenance	Compile a schedule of components and their supply routes to ensure that any maintenance items are easily traceable and accessible.
Communications – public engagement	Public consultations with local residents with regular updates concerning route disruption/ safety concerns

9. Time

9.1 Time Constraints & Aspirations
<p>Approval to submit the application will be submitted to City Growth & Resources Committee in September 2018 and, if approved, the application will be submitted in October 2018 with outcome anticipated in December 2018/January 2019.</p> <p>If approved by the Joint Secretariat, the project will be on a 42 month programme starting from January 2019 until June 2022. The majority of works will take place during a three year period from March 2019 to March 2022, with shoulder months allowed at the beginning and end for project initiation and closure.</p>

9.2 Key Milestones	
Description	Target Date
Committee Approval to submit application	September 2018
Submit Application	October 2018
Funding results	Dec 18/Jan 19
Initiate procurement docs	Jan 19

	Corporate Project Management Toolkit Business Case	Project Stage Define
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Purchase of truck	June 19
Project end	June 22

10. Governance	
TBC – following meeting in August which decides which cluster H2 projects sit	
Role	Name
Project Sponsor	
Project Manager	
Other Project Roles	

11. Resources			
Task	Responsible Service/Team	Start Date	End Date
Development of the procurement documents	Commissioning - CPS	Jan 19	Jun 19
Legal Terms & Conditions	Commissioning - CPS	Jan 19	Mar 19
Compliance to Interreg Programme	City Growth – External Project and Partnerships	Jul 18	Jun 22
Management of truck	Operations – Fleet	Jan 19	Jun 22
Baselining and strategy development	Capital – H2 Projects Team	Jan 19	Jun 22

12. Environmental Management
<p>The project will have a positive environmental impact. Hydrogen fuel cell vehicles significantly reduce air and noise pollution which has a positive impact on public health. The electricity and hydrogen are produced from renewable energy and the deployment of hydrogen fuel celled vehicles will have a significant benefit to local air quality.</p>

13. Stakeholders
<p>Localities – requirement for reliable waste collection service Fleet Services – requirement for reliable equipment and infrastructure</p>

14. Assumptions
<p>Operational baselines are based on a prototype which the city of Groningen is currently piloting:</p> <ul style="list-style-type: none"> • Lifetime of truck – 11 years

Business Case

- Expected hydrogen consumption – 14kg per day
- Storage capacity – 20-30kg of hydrogen
- Maximum range based on full tank of 30kg – 320km
- CO2 saved per day of operation – 109.37kg

15. Dependencies

Competitive operation of the truck is dependent on a regular supply of hydrogen from the existing refuelling station.

16. Constraints

The project is time restricted and must be complete by March 2022. Milestones should be met to ensure procurement and evaluation of truck occur before project end.

17. ICT Hardware, Software or Network infrastructure

Description of change to Hardware, Software or Network Infrastructure	EA Approval Required?	Date Approval Received
None		

18. Support Services Consulted

Service	Name	Sections Checked / Contributed	Their Comments	Date
PMO				
Finance				
Asset Management				
Estates				
Legal (Conveyancing)				
Legal (Procurement)				
Procurement				
ICT				
Architecture and Design Team				
Grounds Maintenance				

 <p>ABERDEEN CITY COUNCIL</p>	<p>Corporate Project Management Toolkit</p> <p>Business Case</p>	<p>Project Stage</p> <p>Define</p>
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Environmental Policy				
Planning				
Communications				
HR				

19. Document Revision History			
Version	Reason	By	Date

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