

Public Document Pack



To: Councillor Allard, Convener; Councillor McRae, Vice-Convener; and Councillors Ali, Boulton, Clark, Davidson, Graham, Grant, Kusznr, MacKenzie, McLellan, Mennie and Yuill.

Town House,
ABERDEEN, 8 June 2022

CAPITAL PROGRAMME COMMITTEE

The Members of the **CAPITAL PROGRAMME COMMITTEE** are requested to meet in the **Council Chamber, Town House** on **THURSDAY, 16 JUNE 2022 at 2.00 pm.** This is a hybrid meeting and Members may also attend remotely.

The meeting will be webcast and a live stream can be viewed on the Council's website. <https://aberdeen.public-i.tv/core/portal/home>

FRASER BELL
CHIEF OFFICER - GOVERNANCE

BUSINESS

NOTIFICATION OF URGENT BUSINESS

- 1.1. Notification of Urgent Business

DETERMINATION OF EXEMPT BUSINESS

- 2.1. Members are requested to determine that any exempt business be considered with the press and public excluded

DECLARATIONS OF INTEREST AND TRANSPARENCY STATEMENTS

- 3.1. Declarations of Interest or Transparency Statements

DEPUTATIONS

- 4.1. Deputations where requested

MINUTES OF PREVIOUS MEETINGS

- 5.1. Minute of Previous Meeting of 9 February 2022 (Pages 5 - 10)

COMMITTEE BUSINESS PLANNER

- 6.1. Committee Planner (Pages 11 - 12)

NOTICES OF MOTION

- 7.1. Notices of Motion

REFERRALS FROM COUNCIL, COMMITTEES AND SUB COMMITTEES

- 8.1. None at the time of issuing the agenda

COMMITTEE BUSINESS

- 9.1. Housing Delivery Programme Update - RES/22/116 (Pages 13 - 22)
- 9.2. Auchmill New Build Housing Progress Report - RES/22/114 (Pages 23 - 34)
- 9.3. Cloverhill New Build Housing Project Update - RES/22/115 (Pages 35 - 46)
- 9.4. Summerhill New Build Housing Project Update - RES/22/117 (Pages 47 - 58)
- 9.5. Cluster Risk Registers and Assurance Maps - RES/22/118 (Pages 59 - 84)

EXEMPT / CONFIDENTIAL BUSINESS

- 10.1. None at the time of issuing the agenda

EHRIAs related to reports on this agenda can be viewed [here](#)

To access the Service Updates for this Committee please click [here](#)

Website Address: aberdeencity.gov.uk

Should you require any further information about this agenda, please contact Karen Finch, tel 01224 522723 or email kfinch@aberdeencity.gov.uk

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Capital Programme Committee

ABERDEEN, 9 February 2022. Minute of Meeting of the CAPITAL PROGRAMME COMMITTEE. Present:- Councillor Boulton, Convener; Councillor Graham, Vice-Convener; and Councillors Hutchison, Laing, MacKenzie, McLellan, Mason (as substitute for Councillor Houghton), Mennie and Yuill.

The agenda and reports associated with this minute can be found [here](#)

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.

DECLARATIONS OF INTEREST OR TRANSPARENCY STATEMENTS

1. Members were requested to intimate any declarations of interest in respect of the items on today's agenda, thereafter the following was intimated:-
 - (1) Councillor Hutchison advised that he had a connection in relation to agenda item 9.5 (ELC Programme Progress Report) due to his daughter attending one of the newly completed facilities, however having applied the objective test he did not consider that he had an interest and would not be withdrawing from the meeting for that item;
 - (2) Councillor Mennie advised that she had a connection in relation to agenda item 9.5 (ELC Programme Progress Report) due to her daughter attending one of the newly completed facilities, however having applied the objective test she did not consider that she had an interest and would not be withdrawing from the meeting for that item; and
 - (3) Councillor Yuill advised that he had a connection in relation to agenda item 9.7 (Milltimber Primary School) due to a family member being involved with a tender for subcontracting work for the school, however having applied the objective test he did not consider that he had an interest and would not be withdrawing from the meeting for that item.

MINUTE OF PREVIOUS MEETING OF 1 DECEMBER 2021

2. The Committee had before it the minute of its previous meeting of 1 December 2021.

The Committee resolved:-

to approve the minute as a correct record.

COMMITTEE PLANNER

3. The Committee had before it the Committee Business Planner as prepared by the Chief Officer – Governance.

The Committee resolved:-

CAPITAL PROGRAMME COMMITTEE

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- (i) in relation to item 12 (Provost Skene's House) to remove this item from the planner and note that a Post Occupancy Report would be submitted to this Committee in twelve months time;
- (ii) in relation to item 18 (ELC Expansion Update Report), to remove this item from the planner due to the completion of the overall projects;
- (iii) in relation to both items above, to thank all staff involved with the successful completion of the projects; and
- (iv) to otherwise note the content of the committee business planner.

SOUTH COLLEGE STREET JUNCTION IMPROVEMENTS - RES/22/016

4. The Committee had before it a report by the Director of Resources which provided an update on the progress of the South College Street Junction Improvements Project.

The report recommended:-

That the Committee notes the updates to the programme milestones and the associated financial implications.

The Committee resolved:-

to approve the recommendation contained in the report.

NESS ENERGY REPORT - RES/22/021

5. With reference to article 11 of the minute of its meeting of 22 September 2021, the Committee had before it a report by the Director of Resources which provided an update on the progress made with regards to the construction of the Ness Energy Project.

The report recommended:-

That the Committee -

- (a) note the progress achieved to date;
- (b) note the financial position for the project; and
- (c) to instruct the Project Team to undertake research and prepare responses to the Review of the Role of Incineration in the Waste Hierarchy including an evidence gathering visit to carbon capture utilisation and storage and Energy from Waste efficiency improvement projects in Denmark.

The Committee resolved:-

to approve the recommendations contained in the report.

TORRY HEAT NETWORK - RES/22/026

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6. With reference to articles 13 and 15 of the minute of their meeting of 22 September 2021, the Committee had before it a report by the Director of Resources which provided an update on the progress of the Torry Heat Network.

The report recommended:-

That the Committee note the current on-going work leading to the anticipated completion of the construction of the approved phase of the Torry Heat Network by late 2023.

The Committee resolved:-

to approve the recommendation contained in the report.

UNION TERRACE GARDENS - RES/22/019

7. With reference to article 6 of the minute of its meeting of 22 September 2021, the Committee had before it a report by the Director of Resources which provided an update on the progress of the delivery of Union Terrace Gardens project which had an anticipated completion date of Spring 2022.

The report recommended:-

That the Committee note the progress achieved to deliver the Union Terrace Gardens redevelopment.

The Committee resolved:-

to approve the recommendation contained in the report.

ELC PROGRAMME PROGRESS REPORT - RES/22/020

8. With reference to article 11 of the minute of its previous meeting, the Committee had before it a report by the Director of Resources which provided on the progress of ELC Capital Projects and that the projects would help to meet Aberdeen City Council's Early Learning and Childcare Delivery Plan objectives by working with the Education Operations teams to help meet the Council's commitment to expand funded early learning and childcare from 600 hours to 1,140 hours. The timeline for delivery was originally in 2020, however due to the COVID-19 pandemic, the timeline had been extended to August 2021.

The report recommended:-

That the Committee –

- (a) note that the Early Learning and Childcare Expansion Programme of works formed part of the overall Council Capital Programme; and
- (b) note the significant progress made with the overall delivery of projects. Despite the impact of the Covid-19 pandemic and that all works had been completed.

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The Committee resolved:-

- (i) to congratulate staff involved with the programme; and
- (ii) to otherwise approve the recommendations contained in the report.

COUNTESSWELLS PRIMARY SCHOOL - RES/22/022

9. With reference to article 12 of the minute of its meeting of 22 September 2021, the Committee had before it a report by the Director of Resources which provided an update on the progress of the new Countesswells Primary School project.

The report recommended:

That the Committee -

- (a) note that the project formed part of the Education New Build Programme presented to the Capital Programme, Strategic Commissioning and City Growth and Resources Committees in September 2018 and that the project would contribute to the delivery of Aberdeen City Council's Early Learning and Childcare Expansion Programme of works;
- (b) note the current on-going work leading to the anticipated completion of the construction of the Countesswells Primary School by summer 2023; and
- (c) note that the Council had provided a temporary school to meet the current need of this community.

The Committee resolved:-

to approve the recommendations contained in the report.

MILLTIMBER PRIMARY SCHOOL - RES/22/023

10. With reference to article 8 of the minute of its meeting of 22 September 2021, the Committee had before it a report by the Director of Resources which provided an update on the progress of the replacement Milltimber Primary School.

The report recommended:

That the Committee -

- (a) note that the project formed part of the Education New Build Programme presented to the Capital Programme, Strategic Commissioning and City Growth and Resources Committees in September 2018 and that the project would contribute to the delivery of Aberdeen City Council's Early Learning and Childcare Expansion Programme of works; and
- (b) note the current on-going work leading to completion of the construction of the Replacement Milltimber Primary School in spring 2022.

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The Committee resolved:-

to approve the recommendations contained in the report.

RIVERBANK REPLACEMENT PRIMARY SCHOOL - RES/22/024

11. With reference to article 9 of the minute of its meeting of 22 September 2021, the Committee had before it a report by the Director of Resources which provided an update on the progress of the replacement Riverbank Primary School.

The report recommended:-

That the Committee -

- (a) note that the project formed part of the Education New Build Programme presented to the Capital Programme, Strategic Commissioning and City Growth and Resources Committees in September 2018 and that the project would contribute to the delivery of Aberdeen City Council's Early Learning and Childcare Expansion Programme of works; and
- (b) note the current on-going work leading to completion of the construction of the Replacement Riverbank Primary School in summer 2023.

The Committee resolved:-

to approve the recommendations contained in the report.

TORRY PRIMARY SCHOOL INCLUDING COMMUNITY HUB - RES/22/025

12. With reference to article 7 of the minute of its meeting of 22 September 2021, the Committee had before it a report by the Director of Resources which provided an update on the progress of the Torry Community Hub and Primary School.

The report recommended:

That the Committee -

- (a) note that the project formed part of the Education New Build Programme presented to the Capital Programme, Strategic Commissioning and City Growth and Resources Committees in September 2018 and that the project would contribute to the delivery of Aberdeen City Council's Early Learning and Childcare Expansion Programme of works; and
- (b) note the current on-going work leading to completion of the construction of the Torry Community Hub and Primary School by autumn 2023.

The Committee resolved:-

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to approve the recommendations contained in the report.

VALEDICTORY

13. The Convener noted that it was the final meeting of the Committee prior to the local government elections and stated that she therefore wished to give her sincere thanks to the Director of Resources, Chief Officer – Capital and Chief Officer – Corporate Landlord and their teams; Democratic Services; Members and the other officers who attended the Committee for their work and support throughout her time as Convener.

Councillor Laing, Councillor Hutchison and Councillor Yuill also put their thanks on record, thanking the Convener for how she had conducted the meetings during her time in the chair.

- **COUNCILLOR MARIE BOULTON, Convener**

	A	B	C	D	E	F	G	H	I
1	CAPITAL PROGRAMME 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	16 June 2022								
4	Cluster Risk Registers and Assurance Map	To present the Cluster Risk Registers and assurance maps to the Committee for consideration		Ronnie McKean	Capital/Corporate Landlord	Resources	8.4		
5	New Housing Programme Delivery	To provide an update to Committee in relation to th Housing Development Programme		John Wilson	Capital	Resources	1.1		
6	Summerhill New Build Housing Project Update	To provide an update to Committee in relation to the Summerhill Housing Development		John Wilson	Capital	Resources	1.1		
7	Wellheads New Build Housing Project Update	To provide an update to Committee in relation to the Wellheads Housing Development		John Wilson	Capital	Resources	1.1	R	The project has been completed and not removed from the planner in error.
8	B999 Shielhill Junction	to provide an update on the project		Alan McKay	Capital	Resources	1.1	R	There is no update since the previous report to Committee.
9	Cloverhill New Build Housing Project	To provide an update to Committee in relation to the Cloverhill Housing Development		John Wilson	Capital	Resources	1.1		
10	Auchmill New Build Housing Project	To provide an update to Committee in relation to the Auchmill Housing Development		John Wilson	Capital	Resources	1.1		
11	15 September 2022								
12	NESS Energy Report	To report on the progress of the delivery of the Energy from Waste Project.		John Wilson	Capital	Resources	1.1		
13	South College Street	To report on the progress of the delivery of the South College Street Corridor Improvement Project.		Alan McKay	Capital	Resources	1.1		
14	Tillydrone (Riverbank Replacement) Primary School	to provide an update on the progress on the delivery of the school		Neil Esslemont	Capital	Resources	1.1		
15	Torry Primary School (including Community Hub)	to provide an update on the progress on the delivery of the school		Bill Watson	Capital	Resources	1.1		
16	Milltimber Primary School	to provide an update on the progress on the delivery of the school		Neil Esslemont	Capital	Resources	1.1		
17	Countesswells Primary School	to provide an update on the progress on the delivery of the school		Bill Watson	Capital	Resources	1.1		
18	Torry Heat Network	To report on the progress of the delivery of the Torry Heat Network Project.		Bill Watson	Capital	Resources	1.1		

	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									
19	23 November 2022								
20	New Housing Programme Delivery	To provide an update to Committee in relation to th Housing Development Programme		John Wilson	Capital	Resources	1.1		
21	Summerhill New Build Housing Project Update	To provide an update to Committee in relation to the Summerhill Housing Development		John Wilson	Capital	Resources	1.1		
22	Wellheads New Build Housing Project Update	To provide an update to Committee in relation to the Wellheads Housing Development		John Wilson	Capital	Resources	1.1		
23	B999 Shielhill Junction	to provide an update on the project		Alan McKay	Capital	Resources	1.1		
24	Auchmill New Build Housing Project	To provide an update to Committee in relation to the Auchmill Housing Development		John Wilson	Capital	Resources	1.1		
25	TBC								
26	Aberdeen Art Gallery	Capital Programme Committee 1 December 2021 The Aberdeen Art Gallery Post Project Evaluation Report is delayed until the on-going contractual and legal process to reach a contract/financial settlement with the appointed Principal Contractor for the main works has been resolved.		John Wilson	Capital	Resources	1.2		

ABERDEEN CITY COUNCIL

COMMITTEE	Capital Programme
DATE	16 June 2022
EXEMPT	No
CONFIDENTIAL	No
REPORT TITLE	New Housing Programme Delivery Update
REPORT NUMBER	RES/22/116
DIRECTOR	Steven Whyte, Director of Resources
CHIEF OFFICER	John Wilson, Chief Officer, Capital
REPORT AUTHOR	John Wilson, Chief Officer, Capital
TERMS OF REFERENCE	Remit 1.1

1. PURPOSE OF REPORT

- 1.1 To update the Committee on the progress of works being undertaken as part of Aberdeen City Council's directly delivered new build Council housing sites and developer led schemes to meet the political commitment of 2000 new homes.
- 1.2 Outline progress for the Council led sites referred to throughout the report including Craighill, Kincorth, Tillydrone, Kaimhill, Greenferns and Greenferns Landward.
- 1.3 Outline progress for Developer led sites.

2. RECOMMENDATION(S)

That the Committee:

- 2.1 Notes the progress to deliver the programme of social housing sites across the city. Refer to Appendix 1.
- 2.2 Going forward, individual project progress reports will be submitted at an appropriate time to the Capital Programme Committee for each project.
- 2.3 Review the planned delivery of the Council led sites at Craighill, Kincorth, Tillydrone, Kaimhill in light of the current forecast increase in costs across the

construction sector and report the outcome of that review to the next appropriate meeting of the City Growth & Resources committee or the Council.

3. CURRENT SITUATION

3.1 As an update to existing approvals, at its budget meeting on 10 March 2021 the Council resolved, to delegate authority on a number of matters to various Council Officers usually in consultation with others, to facilitate the delivery of the 2,000 new Council homes.

3.2 These matters predominantly related to the procurement and expenditure related to known sites, but the Council also instructed Officers to investigate what other opportunities may exist with unknown developer led sites.

3.3 To date the Council has:

- Delivered 179 units at Smithfield and Manor Walk.
- Delivered 283 units at Wellheads (Developer led scheme).
- Purchased 269 units through the buy-back scheme.
- Has entered 5 construction contracts; comprising Building Contracts, Development Agreements and Pre-Construction Services Agreements for (Summerhill, Kincorth, Craighill, Kaimhill and Tillydrone) to deliver 785 units.
- Progressed 2 other Developer Led Schemes (Auchmill and Cloverhill) by 2 separate developers which were recommended following the Invitation to Participate in Negotiation (ITPN) process, totalling an additional 628 Units.
- Entered into Pre-Construction Services Agreements with preferred contractors for Kincorth, Craighill, Tillydrone and Kaimhill and had all four sites progress on site.
- Achieved Planning permission for developments at Craighill, Kaimhill, Kincorth and Tillydrone.
- Appointed consultants for Greenferns and Greenferns Landward Masterplan areas which will accommodate further development and commenced Stage 2 concept designs for each of the developments.
- Commenced the Masterplan / PPiP process for both Greenferns and Greenferns landward and commenced the consultation process.
- Undertaken a technical appraisal for a site located within the Grandhome Masterplan.
- Developed an Options Appraisal Paper and procured a Design Team to progress the development located at 206 Union Street, contributing an additional 28 units to the overall total.

Vision and Standards

3.4 As noted previously, for those projects across the programme which are still undergoing design development, they are being taken forward on the understanding that Gold Level technical standards are incorporated within the High-Level Requirements.

- 3.5 Lessons learned are being shared across the programme to try and ensure a consistent approach with regard to design development and construction. Coordination meetings are ongoing between the design teams for each site to ensure consistency. Input from the main contractors is also being provided on a regular basis to contribute to the design development.

Current Status Council Led Sites

- 3.6 The Final Business Cases (FBC's) have been completed and approved for the Council led projects at Kincorth, Craighill, Kaimhill and Tillydrone and the Developer led projects of Auchmill Road and Cloverhill.
- 3.7 RIBA Stage 4 (Design Development inclusive of Planning Application submission) is now complete for the Craighill, Kaimhill, Kincorth, and Tillydrone sites.
- 3.8 Planning approval has been granted for each of the sites and all pre-commencement conditions have been discharged.
- 3.9 A decision-making exercise was carried out to gauge the listed contractors appetite, capacity, and capability for the various works. The outcome of this exercise led to two options; either a Scotland Excel Housebuilder Framework tender mini-competition or selected direct awards based on understanding of capability and preference. In consultation with procurement colleagues the preferred option taken forward was 'direct award'.
- 3.10 The outcome of this procurement exercise resulted in the appointment of 3 main contractors across the 4 direct sites. The main contractors appointed are as follows:
Craighill – Robertson Construction East Ltd. (Urban Union)
Kaimhill – Bancon Construction
Kincorth – Robertson Construction East Ltd. (Urban Union)
Tillydrone – Chap Construction
- 3.11 Site commencement for Craighill, Kaimhill Kincorth and Tillydrone have been undertaken and enabling works are progressing on each of the sites. The contractors are progressing well with enabling works due to complete for each site as follows, which will allow the main contract works to progress:
- Craighill – Summer 2022
 - Kincorth – Autumn 2022
 - Tillydrone – Summer 2022
 - Kaimhill - Autumn 2022
- 3.12 The projects have begun to experience unprecedented market conditions as a result of the Ukrainian war and Covid-19 pandemic. Availability of labour and materials is becoming increasingly difficult and advance orders are being placed where possible to secure materials. Phasing of the developments has

been considered as part of the overall programme to ensure that labour is being utilised in the most effective manner.

- 3.13 The Design Teams for Greenferns and Greenferns Landward have now been appointed and are progressing through RIBA Stage 2 concept designs for the sites. Several ecological surveys have now been undertaken on both sites, and an Environmental Impact Assessment: Screening and Scoping document has been issued to ACC Environmental team for review and feedback.
- 3.14 In relation to the Masterplan process for the Greenferns and Greenferns Landward developments, regular workshops have been arranged with ACC Planning Team to align the project brief with expectations and progress the sites through the Masterplan Process.
- 3.15 The consultation process for Greenferns and Greenferns Landward has commenced, with public presentations and liaison ongoing to fulfil the requirements of the Masterplan process.
- 3.16 Aberdeen Heat & Power have commenced off-site works to install a new district heating network to supply the Kincorth and Craighill sites. Works are progressing well and coordination is taking place with the main contractor on the two sites.
- 3.17 With regard to the Grandhome site, the council is in discussion with a contractor/ developer who has an option to develop the Grandhome site. Discussions are ongoing to review the Stage 3 Design information and assess against the ACCHP High-Level Requirements.

Next Steps for Council Led Sites

- 3.18 Continue with the enabling works packages to conclusion and commence a review of the planned delivery of the Council led sites at Craighill, Kincorth, Tillydrone, Kaimhill in light of the current forecast increase in costs across the construction sector.
- 3.19 Finalise RIBA Stage 2 for Greenferns and Landward and progress through RIBA Stage 3 designs.
- 3.20 Aberdeen Heat & Power will provide a feasibility study to present options for consideration for the heat source for Greenferns and Greenferns Landward.

Next steps for Developer Led Sites

- 3.21 All 283 units within the Wellheads have now been handed over to ACC. A lesson-learned exercise is being undertaken to establish improvements which can be made and implemented for future projects. This will involve representative from the contractor, council's advisors, capital team, building repairs, housing management and hopefully tenants.

- 3.22 The Grandhome site formed part of the initial procurement exercise. A Stage 3 and Stage 4 report has been submitted by the Developer and has been reviewed with the ACCHP Technical consultants for compliance with the ACCHP High-Level Requirements. Discussions are ongoing to establish the next steps for this development.

4. FINANCIAL IMPLICATIONS

- 4.1 Outline Business Cases and Full Business Cases have been approved, with the development of the OBC and FBCs taking cognisance of financial viability requirements.
- 4.2 Approval of Gold Technical Standards, while having an initial up-front cost, will reduce future maintenance costs. This commitment of investment in properties does however promote better mental and physical health, and future-proof properties by facilitating adaption to suit tenants' current and future requirements.
- 4.3 By creating more energy efficient homes which meet future standards such as Energy Efficiency Standard for Social Housing (ESSH) the monthly fuel consumption for Gold Standard properties is reduced.
- 4.4 Following the amendments to the Building (Scotland) Regulations in March 2021, resulting in a change to the regulations, it was determined by the ACCHP Board that fire suppression systems and L1 fire alarm systems should be included in all direct sites included in the Housing Programme. Inclusion of sprinklers within the Direct and Developer Led sites at design stage has been approved, with the requirements now being incorporated into the schemes. As identified in the March 2021 budget report future projects in excess of the 2000 units will be brought forward with individual business cases.
- 4.5 An application has been made to the Scottish Government to contribute to the implementation of ground source heat pumps on the Kaimhill site. The grant funding was approved by the Scottish Government in May for the site.
- 4.6 Due consideration is being given to the current market conditions, and strategies are being developed to prevent cost escalation, to manage project budgets and mitigate the impact of macro-economic factors on this programme of works.
- 4.7 Design teams on Craighill, Kaimhill, Kincorth and Tillydrone have been working with the main contractors to identify opportunities for cost savings to mitigate the impact of increasing prices in the market. Any potential cost savings are being considered against the Gold Standard and Housing for Varying Needs requirements to ensure any proposed changes comply with requirements and that standards are not compromised.

5. LEGAL IMPLICATIONS

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

6. ENVIRONMENTAL IMPLICATIONS

- 6.1 There are no direct environmental implications arising from the recommendations of this report.

7. RISK

Category	Risk	Low (L) Medium (M) High (H)	Mitigation
Strategic Risk	Impact of Covid-19 on the projects under design/construction and potential future impact upon delivery of units	M	Ensure lessons learned from current sites, embed float within programmes and closely monitor and liaise with the contractual parties.
Compliance	Failure to comply with project protocols	L	Increase site visits and monitoring of the construction works.
Operational	Staff both internal and external	L	Maintain home working where possible (design). Review business continuity plans.
Financial	Increased project costs, supplier risk related to the Brexit agreement, Covid-19 related cost impacts and the impact of the Ukraine War and the recent announcement of a potential recession from the Bank of England.	H	Work with legal, finance and procurement teams to understand and address contractual impacts related to the supply of labour, plant and materials.
Reputational	Late delivery of the new housing units	L	Clearly communicate with key stakeholders regarding the impact of world events upon the delivery of units.

Environment / Climate	Targeting Net Zero	L	Mitigating climate risks requirements by ensuring at the point of contract award that target net zero requirements are embedded into project specification requirements.
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8. OUTCOMES

<u>COUNCIL DELIVERY PLAN</u>	
	Impact of Report
<p style="text-align: center;">Aberdeen City Council Policy Statement</p> <p>Programmes in the Policy Statement include assess the digital needs of the region, working with our partners to ensure the city has the required infrastructure; maximise community benefit from major developments; commit to closing the attainment gap in education while working with partners across the city; build 2,000 new Council homes and work with partners to provide more affordable homes;</p>	<p>This report highlights the progress being made with the delivery of the new Council housing across the city which when delivered will support a number of inter-related policy statements within the Council delivery Plan.</p>
Aberdeen City Local Outcome Improvement Plan	
<p>Prosperous Economy Stretch Outcomes</p>	<p>The construction programme for new Council housing will support the local economy, employment and training during a period of relative subdued construction activity, especially in the housing and commercial sectors.</p>

Prosperous People Stretch Outcomes	The Council is committed to improving the key life outcomes of all people in Aberdeen City. The availability of affordable housing contributes to this objective by providing choice and opportunities which would otherwise not be available.
Prosperous Place Stretch Outcomes	The Council is committed to ensuring that Aberdeen is a welcoming place to invest, live and visit and operate to the highest environmental standards. The availability of affordable housing contributes to this objective.
Regional and City Strategies Strategic Development Plan; Local Development Plan	The proposals within this report support the Strategic Development Plan and Local Development Plan by working to deliver the new Council aspirations and accord with the requirements of both plans.
UK and Scottish Legislative and Policy Programmes Legislation which places a range of statutory duties on the Council, Planning (Scotland) Bill	The report sets out the progress achieved to deliver the new Council housing across the city, all in accordance with the required legislation.

9. IMPACT ASSESSMENTS

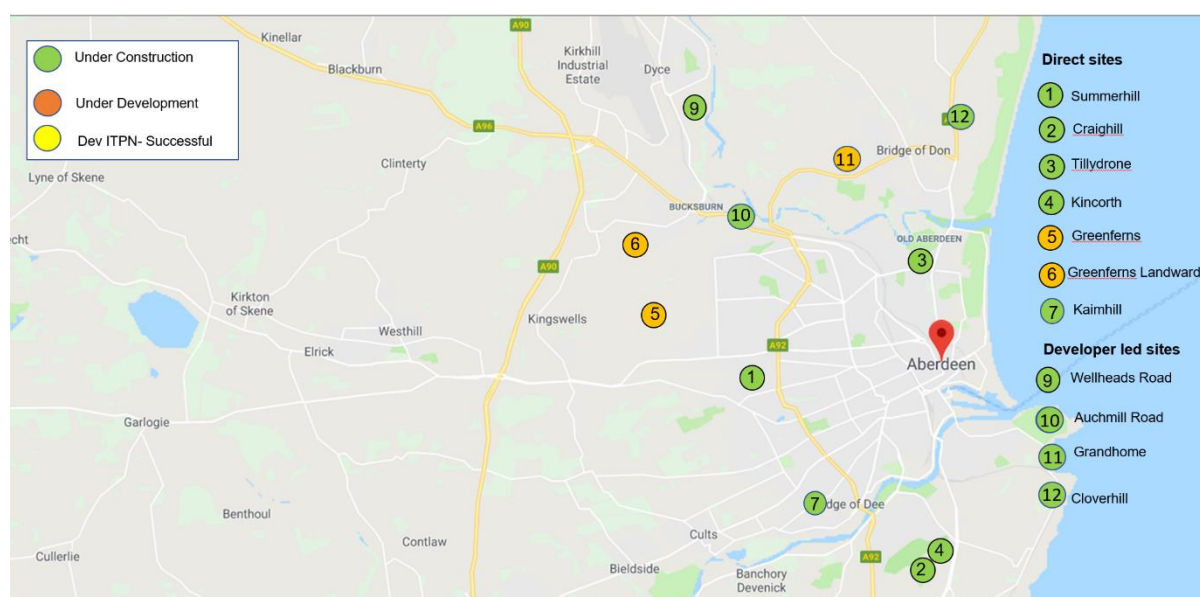
Assessment	Outcome
Impact Assessment	An Equality and Human Rights Impact Assessment (EHRIA) in connection with the Council housing building programme has been carried out on 11.4.2018 based on report no RES/18/006.
Data Protection Impact Assessment	Privacy impact assessment (PIA) screening has been undertaken and a PIA is not necessary.

10. BACKGROUND PAPERS

- 9.1 Council 6 March 2018: Draft Housing Revenue Account Budget and Housing Capital Budget 2018/19 to 2022/23: report no CG/18/030.
- 9.2 Capital Programme 23 May 2018: Shaping Aberdeen Housing LLP – Referral from City Growth and Resources: report no RES/18/006.
- 9.3 Council 5 March 2019: Housing Revenue Account Budget 2019/20: report no RES/19/202.
- 9.4 City Growth & Resources 28 October 2020: New Housing Programme Delivery Update: Report No RES/20/132
- 9.5 City Growth & Resources 28 January 2021: New Housing Programme Delivery Update: Report No RES/20/132

11. APPENDICES

11.1 Appendix 1: ACCHP Location Map of Housing Sites



12. REPORT AUTHOR CONTACT DETAILS

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Tel	01224 523629

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ABERDEEN CITY COUNCIL

COMMITTEE	Capital Programme
DATE	16 June 2022
EXEMPT	No
CONFIDENTIAL	No
REPORT TITLE	Auchmill Road New Build Housing Progress Report
REPORT NUMBER	RES/22/114
DIRECTOR	Steven Whyte, Director of Resources
CHIEF OFFICER	John Wilson, Chief Officer, Capital
REPORT AUTHOR	John Wilson, Chief Officer, Capital
TERMS OF REFERENCE	Remit 1.1

1. PURPOSE OF REPORT

- 1.1 To update the Committee on the progress of the Auchmill Road new build Council housing project.

2. RECOMMENDATION(S)

That the Committee:

- 2.1 Notes the progress achieved in the procurement of the new build Council housing project at Auchmill Road.

3. CURRENT SITUATION

Background

- 3.1 Planning permission was granted for the site in January 2021.
- 3.2 A Development Agreement was subsequently agreed between Aberdeen City Council and Ogilvie Group Developments Ltd (Principal Contractor) who will provide a development comprising of 3 blocks of flats offering 92 units, with a mix of one, two, three and four-bedroom flats.
- 3.3 The Principal Contractor took possession of the site in January 2021.
- 3.4 The Development Agreement was signed for the delivery of 92 Units on the 29th January 2021.
- 3.5 Works started on site in February 2021 and construction of Blocks A and B commenced in March 2021. Block C construction commenced in June 2021.

Update since last report in December 2021

3.6 Construction Progress

Block A

Rendering is 90% complete with automatic opening vent and access left out for materials. 90% of Taping, Kitchens and District Heating completed. 2nd fix MEP engineers continue works in communal areas, stairs, risers, and all levels. Floor coverings are progressing and water tank has been installed and all levels are being painted.

Block B

Brick and block work has been completed and rendering is 80% done, Juliet balconies continue to be installed. 1st MEP fixing are ongoing in communal areas, stairs, risers, and all levels to apartments.

The dry lining first fix for levels 1, 2 & 3 have been completed and fire taping on the ground floor is ongoing.

Block C

Brick and block is progressing and 90% of the roof tiles have been fitted. Levels 1-3 dry lining first fixes are ongoing, and level 3 is undergoing 1st MEP fix on the sprinkler, the ventilation 1st fix is now complete.

External Works

A96 Ramp Planning permission received 16th March 2022, to install the ramp, selected trees have been taken down prior to bird nesting season.

Formation of the roads, kerbs and parking bays are ongoing and multi utility tracks are being installed throughout the site.

3.7 Quality Assurance

Quality Assurance Audits will be conducted on site and continue throughout the duration of the Contract to ensure quality across the overall Housing Programme.

3.8 A revised construction programme was issued by the Developer in September 2021 highlighting sectional completion dates. Once handover dates are confirmed Capital Officers will liaise with the Corporate Landlord Housing Officers to coordinate the possession of the units. Phased delivery plan is as previously outlined below:

Activity	Status
Execution of Contract	Completed
Mobilisation	Completed
Phase 1 [Block A]	Ongoing

Phase 2 [Block B]	Ongoing
Phase 3 [Block C]	Ongoing

3.9 Following receipt of the construction programme, the Practical Completion date contained within the Development Agreement is as follows:

Block A	Autumn 2022	26 units
Block B	Autumn 2022	40 units
Block C	Autumn 2022	26 units

- Please note that until the whole 2,000 Programme is developed, final stage completion dates cannot be confirmed because the Council will have to ensure these dates are staggered to avoid a large volume of properties coming on to the housing list register at the same time.

Headlines/Key issues of the moment

3.10 There is an ongoing risk in relation to labour and material availability which could subsequently impact upon overall timeframes for the project. The contractor has advised of long lead in times for various materials and a shortage in trades such as brick layers and joiners. This has been exacerbated by the implications of Brexit and more recently by the ongoing conflict in Ukraine.

3.11 There is a residual risk of future national or local COVID-19 lockdowns being imposed, which would impact upon project delivery and timescales.

Interdependencies Update

3.12 Stakeholder engagement and communications with key parties remains ongoing, key relationships are being managed. There is a requirement to obtain wayleave, this is currently in hand. The impending ‘off-site’ works will soon commence. In regard to works outside the curtilage of the development boundary, the relevant statutory approvals and consents are being managed by the Developer.

4. FINANCIAL IMPLICATIONS

There are no direct financial implications arising from the recommendations of this report. The Contract is a Development Agreement with Provisional Sums included for the Sprinklers (previously instructed) and the Off-site works, which comprise the creation of a new ramp, steps and pelican crossing over the A96. Following 12 months of dialogue with the Planning Department, the works have been redesigned and are currently forecast to be above the provisional sum allowance. The figures are being verified by the Consultant QS prior to instruction

4.2 The total project spend to date is as follows

Gross Budget	Spend to date
£19.7m	£15.2m

5. LEGAL IMPLICATIONS

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

6. ENVIRONMENTAL IMPLICATIONS

6.1 There are no direct environmental implications arising from the recommendations of this report.

7. RISK

Key Risks for Initial Construction Activities

7.1 Impact of Covid-19 delay to the programme, impact upon the site operations

7.2 Combined Heat & Power resourcing for the heating systems of the new units in order to meet the programme.

7.3 Inclement weather

7.4 Supply chain insolvency/liquidation

7.5 Material shortage and labour shortage

Category	Risk	Low (L) Medium (M) High (H)	Mitigation
Strategic Risk	Impact of Covid-19 on the projects under design/construction and potential future impact upon delivery of units	M	Ensure lessons learned from current sites, embed float within programmes and closely monitor and liaise with the contractual parties.
Compliance	Failure to comply with project protocols	L	Increase site visits and monitoring of the construction works.
Operational	Staff both internal and external	L	Maintain home working where possible (design). Review business continuity plans.
Financial	Increased project costs, supplier risk related to the Brexit agreement,	H	Work with legal, finance and procurement teams to understand and address

	Covid-19 related cost impacts and the impact of the Ukraine War and the recent announcement of a potential recession from the Bank of England.		contractual impacts related to the supply of labour, plant and materials.
Reputational	Late delivery of the 92 units	L	Clearly communicate with key stakeholders regarding the impact of world events upon the delivery of units.
Environment / Climate	Targeting Net Zero	L	Mitigating climate risks requirements by ensuring at the point of contract award that target net zero requirements are embedded into project specification requirements.

8. OUTCOMES

<u>COUNCIL DELIVERY PLAN</u>	
	Impact of Report
<p style="text-align: center;">Aberdeen City Council Policy Statement</p> <p>Programmes in the Policy Statement include assess the digital needs of the region, working with our partners to ensure the city has the required infrastructure; maximise community benefit from major developments; commit to closing the attainment gap in education while working with partners across the city; build 2,000 new Council homes and work with partners to provide more affordable homes;</p>	<p>This report highlights the progress being made with the delivery of the new Council housing at Auchmill which when delivered will support a number of inter-related policy statements within the Council delivery Plan.</p>
Aberdeen City Local Outcome Improvement Plan	
Prosperous Economy Stretch Outcomes	The construction programme for new Council housing will support the local economy, employment and training during a period of relative subdued construction activity, especially in the housing and commercial sectors.
Prosperous People Stretch Outcomes	The Council is committed to improving the key life outcomes of all people in Aberdeen

	City. The availability of affordable housing contributes to this objective by providing choice and opportunities which would otherwise not be available.
Prosperous Place Stretch Outcomes	The Council is committed to ensuring that Aberdeen is a welcoming place to invest, live and visit and operate to the highest environmental standards. The availability of affordable housing contributes to this objective.
Regional and City Strategies Strategic Development Plan; Local Development Plan	The proposals within this report support the Strategic Development Plan and Local Development Plan by working to deliver the new Council aspirations and accord with the requirements of both plans.

9. IMPACT ASSESSMENTS

Assessment	Outcome
Integrated Impact Assessment	An Equality and Human Rights Impact Assessment (EHRIA) in connection with the Council housing building programme has been carried out on 11.4.2018 based on report no RES/18/006.
Data Protection Impact Assessment	Privacy impact assessment (PIA) screening has been undertaken and a PIA is not necessary.

10. BACKGROUND PAPERS

- 10.1 Council 6 March 2018: Draft Housing Revenue Account Budget and Housing Capital Budget 2018/19 to 2022/23: report no CG/18/030.
- 10.2 Capital Programme 23 May 2018: Shaping Aberdeen Housing LLP – Referral from City Growth and Resources: report no RES/18/006.
- 10.3 Council 5 March 2019: Housing Revenue Account Budget 2019/20: report no RES/19/202.

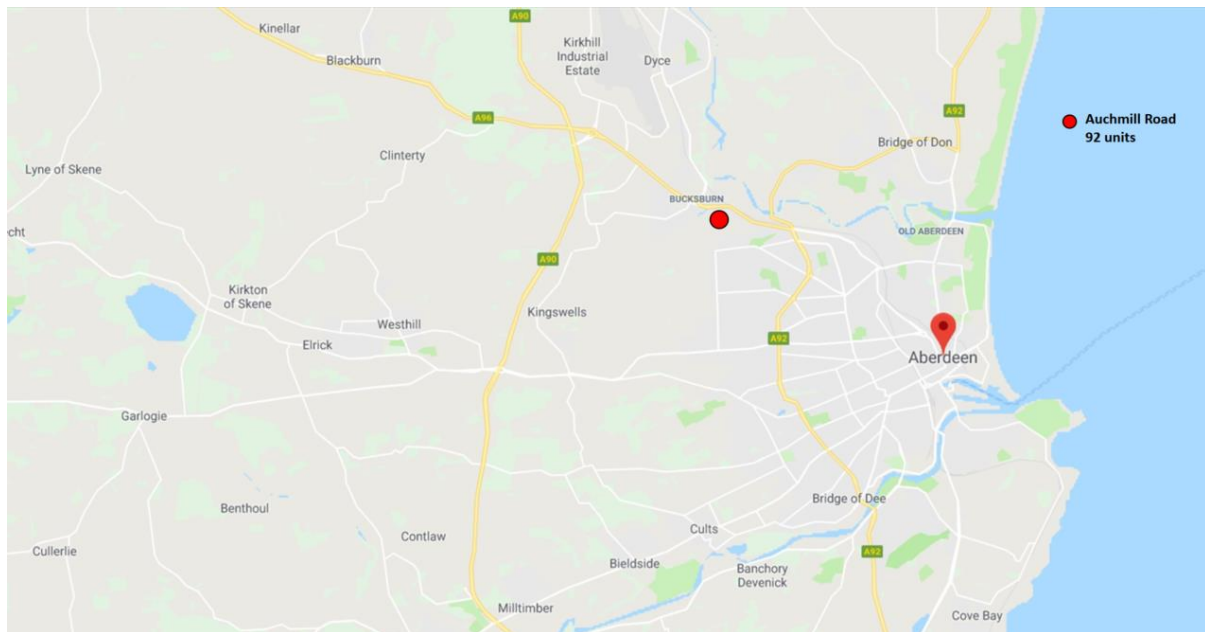
11. APPENDICES

- 11.1 Appendix 1: Location Map
- 11.2 Appendix 2: Site Map
- 11.3 Appendix 3: Site Progress Photographs

12. REPORT AUTHOR CONTACT DETAILS

Name	John Wilson
Title	Chief Officer, Capital
Email Address	JOHNW@aberdeencity.gov.uk
Tel	01224 523629

Appendix 1: Location Map



Appendix 2: Site Layout Plan



Appendix 3 Site progress photographs April 22:



Block B



Block A



Fitted Kitchen Block A



Fitted Bathroom Block A



Stairwell Block B



Tree removal for A96 Ramp



Stairwell Block C



Kitchen Block C

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ABERDEEN CITY COUNCIL

COMMITTEE	Capital Programme
DATE	16 June 2022
EXEMPT	No
CONFIDENTIAL	No
REPORT TITLE	Cloverhill New Build Housing Progress Report
REPORT NUMBER	RES/22/115
DIRECTOR	Steven Whyte, Director of Resources
CHIEF OFFICER	John Wilson, Chief Officer, Capital
REPORT AUTHOR	John Wilson, Chief Officer, Capital
TERMS OF REFERENCE	Remit 1.1

1. PURPOSE OF REPORT

- 1.1 To update the Committee on the progress of works being undertaken at Cloverhill new build Council housing project.

2. RECOMMENDATION(S)

That the Committee:

- 2.1 Notes the progress achieved in the housing project at Cloverhill.

3. CURRENT SITUATION

Background

- 3.1 Planning permission was granted for the site on 30th September 2021.
- 3.2. A Design and Build Contract has been agreed between Aberdeen City Council and Bancon Homes Ltd (Principal Contractor) who will build 536 new council homes, a sports pitch, a community hall, and retail/commercial units.
- 3.3 The Principal Contractor Bancon Homes Ltd took possession of the site 7th February 2022 and construction of phase 1 has commenced.

3.4 Construction Progress to Date:

Work on site has begun, the topsoil strip and general earthworks has started with a cut and fill exercise to install structural fill. Sewer installation is underway. The next stage will see the formation of structural fill platforms and an extended Sustainable Drainage System (SuDS) basin located at the north aspect of the site. Section 1 Flats are due to commence 4th April.

3.5 Quality Assurance Audits are being conducted on site and will continue throughout the duration of the Contract to ensure quality across the overall Housing Programme.

3.6 Key Milestones in the Contractor's programme are as follows:

Section Build	1	Flats (36 units, 3 shops)	Spring 2024
Section Build	2	Semi/terrace Mix (31 units)	Summer 2024
Section Build	3	Flats & Semi/terrace mix (10 + 48 units) including comm hall	Spring 2025
Section Build	1A	Semi/terrace mix (43 units)	Winter 2024/25
Section Build	4	Semi/terrace mix (35 units)	Spring 2025
Section Build	2A	Semi/terrace mix (36 units)	Autumn 2025
Section Build	5	Semi/terrace mix (58 units)	Spring 2026
Section Build	6	Semi/terrace mix (70 units)	Winter 2026/27
Section Build	3A	Flats, Semi/terrace mix (24 +21 units)	Spring 2026
Section Build	4A	Semi/terrace mix (37 units)	Winter 2026/27
Section Build	7	Semi/terrace mix (30 units)	Spring 2027

Section Build	8	Semi/terrace mix (23 units)	Autumn 2027
Section Build	5A	Semi/terrace mix (34 units) & Sports Pitch	Summer 2027

- *Please note that until the whole 2,000-unit programme is developed, final stage completion dates cannot be confirmed because the council will have to ensure these dates are staggered to avoid a large volume of properties coming on to the housing list register at the same time.*

Headlines/Key Issues

- 3.7 It is evident from projects that are at a more advanced state of construction within the Housing programme that there is an ongoing risk in relation to labour and material availability which could subsequently impact upon overall timeframes for the project. The contractor has advised of long lead in times for various materials and a shortage in trades such as brick layers and joiners. This has been exacerbated by the implications of Brexit and more recently by the ongoing conflict in Ukraine.
- 3.8 There is a residual risk of future national or local COVID-19 lockdowns being imposed, which would impact upon project delivery and timescales.
- 3.9 While ongoing Covid-19 work practice requirements and supply chain issues are impacting progress on site, the contractor and design team are seeking mitigation where possible.

Interdependencies update

- 3.10 Stakeholder engagement and communications with key parties remains ongoing, the contracted parties are in discussion and working closely to ensure the work by other parties does not impact overall project delivery.

4. FINANCIAL IMPLICATIONS

- 4.1 There are no direct financial implications arising from the recommendations of this report.
- 4.2 The total project spend to date is as follows

Gross Budget	Spend to date
£137.5m	£22.3m

4.3 The spend to date includes land acquisition, development fees, legal costs, design development fees, site investigations.

5. LEGAL IMPLICATIONS

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

6. ENVIRONMENTAL IMPLICATIONS

6.1 There are no direct environmental implications arising from the recommendations of this report.

7. RISK

Key Risks for Initial Construction Activities

7.1 Impact of Covid-19 delay to the programme, impact upon the site operations

7.2 Supply chain / material availability and extended lead in times.

7.3 Inclement weather

7.4 Supply chain insolvency/liquidation

7.5 Material shortage and labour shortage

Category	Risk	Low (L) Medium (M) High (H)	Mitigation
Strategic Risk	Impact of Covid-19 on the projects under design/construction and potential future impact upon delivery of units	M	Ensure lessons learned from current sites, embed float within programmes and closely monitor and liaise with the contractual parties.

Compliance	Failure to comply with project protocols	L	Increase site visits and monitoring of the construction works.
Operational	Staff both internal and external	L	Maintain home working where possible (design). Review business continuity plans.
Financial	Increased project costs, supplier risk related to the Brexit agreement, Covid-19 related cost impacts and the impact of the Ukraine War and the recent announcement of a potential recession from the Bank of England.	H	Work with legal, finance and procurement teams to understand and address contractual impacts related to the supply of labour, plant and materials.
Reputational	Late delivery of the 536 units	L	Clearly communicate with key stakeholders regarding the impact of world events upon the delivery of units.
Environment / Climate	Targeting Net Zero	L	Mitigating climate risks requirements by ensuring at the point of contract award that target net zero requirements are embedded into project specification requirements.

8. OUTCOMES

<u>COUNCIL DELIVERY PLAN</u>	
	Impact of Report
Aberdeen City Council Policy Statement Programmes in the Policy Statement include assess the	This report highlights the progress being made with the delivery of the new Council housing at Cloverhill which when delivered will support a number of inter-related policy statements within the Council delivery Plan.

<p>digital needs of the region, working with our partners to ensure the city has the required infrastructure; maximise community benefit from major developments; commit to closing the attainment gap in education while working with partners across the city; build 2,000 new Council homes and work with partners to provide more affordable homes;</p>	
<p>Aberdeen City Local Outcome Improvement Plan</p>	
<p>Prosperous Economy Stretch Outcomes</p>	<p>The construction programme for new Council housing will support the local economy, employment and training during a period of relative subdued construction activity, especially in the housing and commercial sectors.</p>
<p>Prosperous People Stretch Outcomes</p>	<p>The Council is committed to improving the key life outcomes of all people in Aberdeen City. The availability of affordable housing contributes to this objective by providing choice and opportunities which would otherwise not be available.</p>
<p>Prosperous Place Stretch Outcomes</p>	<p>The Council is committed to ensuring that Aberdeen is a welcoming place to invest, live and visit and operate to the highest environmental standards. The availability of affordable housing contributes to this objective.</p>
<p>Regional and City Strategies Strategic Development Plan; Local Development Plan</p>	<p>The proposals within this report support the Strategic Development Plan and Local Development Plan by working to deliver the new Council aspirations and accord with the requirements of both plans.</p>

9. IMPACT ASSESSMENTS

Assessment	Outcome
Integrated Impact Assessment	An Equality and Human Rights Impact Assessment (EHRIA) in connection with the Council housing building programme has been carried out on 11.4.2018 based on report no RES/18/006.
Data Protection Impact Assessment	Privacy impact assessment (PIA) screening has been undertaken and a PIA is not necessary.

10. BACKGROUND PAPERS

- 10.1 Council 6 March 2018: Draft Housing Revenue Account Budget and Housing Capital Budget 2018/19 to 2022/23: report no CG/18/030.
- 10.2 Capital Programme 23 May 2018: Shaping Aberdeen Housing LLP – Referral from City Growth and Resources: report no RES/18/006.
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- 10.4 Capital Programme 23 September 2020: New Build Housing Progress Report: report no RES/20/131.

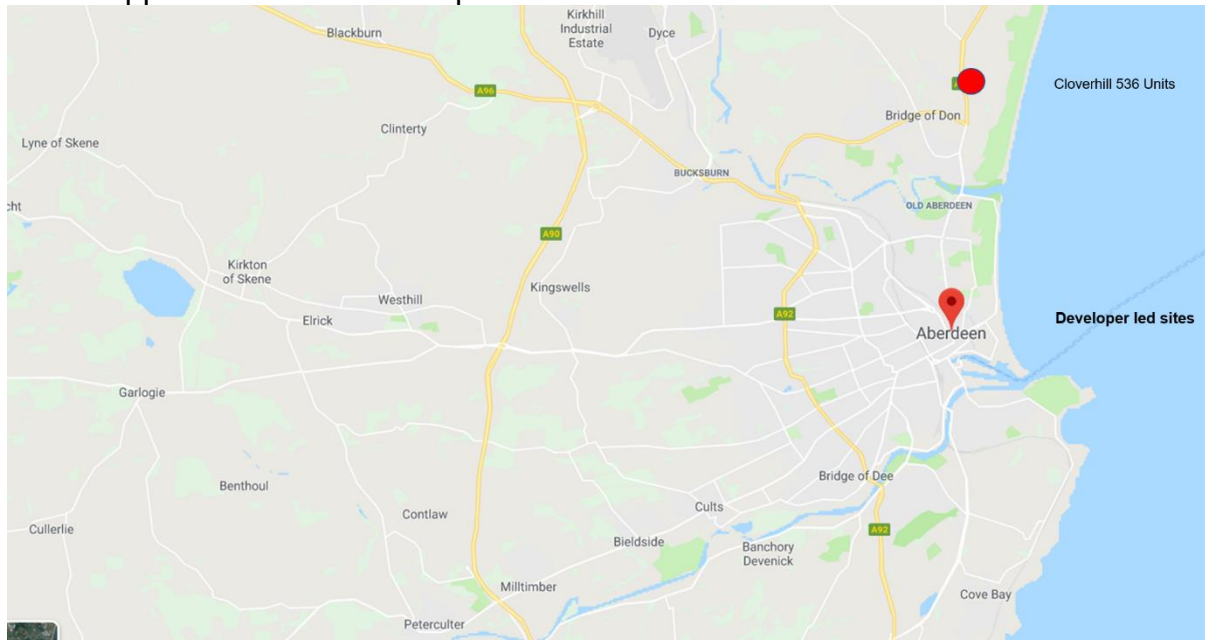
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12. REPORT AUTHOR CONTACT DETAILS

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Title	Chief Officer, Capital
Email Address	JOHNW@aberdeencity.gov.uk
Tel	01224 523629

11.1 Appendix 1: Location Map



11.2 Appendix 2: Site Plan



11.3 Appendix 3: Site Progress Photographs

Week commencing Monday 2 May 2022





Photo 5 – Road formation with foul and surface manhole cylinders visible in the distance



Photo 6 – View towards the compound area at the North-West corner of the site, with a mortar silo installed for underbuilding blockwork



Photo 7 – Main drainage installed with typical connection visible at the pipe



Photo 8 – One of the earth moving machines being used to help form required levels on site

Block 1 foundation 04/05/2022



Block 2 foundation 04/05/2022



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ABERDEEN CITY COUNCIL

COMMITTEE	Capital Programme
DATE	16 June 2022
EXEMPT	No
CONFIDENTIAL	No
REPORT TITLE	Summerhill New Build Housing Progress Report
REPORT NUMBER	RES/22/117
DIRECTOR	Steven Whyte, Director of Resources
CHIEF OFFICER	John Wilson, Chief Officer, Capital
REPORT AUTHOR	John Wilson, Chief Officer, Capital
TERMS OF REFERENCE	Remit 1.1

1. PURPOSE OF REPORT

- 1.1 To update the Committee on the progress of works being undertaken at Summerhill new build Council housing project.

2. RECOMMENDATION(S)

That the Committee:

- 2.1 Notes the progress achieved in the housing project at Summerhill.

3. CURRENT SITUATION

Current Status

- 3.1 As a consequence of COVID-19 and other external factors, the programme has lost time with the Principal Contractor (CHAP Construction) currently reporting -6 weeks to Block 5, -7 weeks to Block 1, -7 weeks to Block 2, -1.5 weeks to Block 3, -1.5 weeks to Block 4, -4 weeks to Block 6 and -2 weeks to Block 8. Block 8 delays relate to the sub-structure progression hampered by recent weather conditions and as a result the superstructure works have been pushed back by two weeks. Block 7 is in abeyance until the completion of Phase 1.

Update since last report in December 2021

- 3.2 Construction Progress

Phase 1

- **Block 1** – The Lang Stracht pedestrian entrance bridge precast has been placed. All internal dwelling timber finishes have been progressed as far as possible. Stair core M & E works continue. External water, heating services & electrical services are all live. External works are progressing with car parking areas and kerbs.
- **Block 2** – The Lang Stracht pedestrian entrance bridge precast has been placed. All internal dwelling timber finishes have been progressed as far as possible. Stair core M & E works continue. External works are progressing with car parking areas and kerbs.
- **Block 5** – All timber finishes complete within the dwellings with the exception of service entry points. Dwelling decoration continues. Lowered ceilings, beam fire protection, plasterboard, painting, & timber finishes progress within the stairs & corridors. Installation of ground floor access door & screen has commenced. The courtyard steel access walkway services are near completion. The structural timber feature façade panels to the East & West elevations are complete. Electrical live testing has commenced. External water, heating services, & electrical services are all live. Installation of external façade lighting and aerial installation has commenced.

Phase 2

- **Block 3** – The Lang Stracht pedestrian entrance bridge precast has been placed. Steel balconies and handrailing are finalised. The incoming below ground Aberdeen Heat & Power infrastructure is complete. Internally, joinery 1st Fix has commenced allowing certain 1st Fix services installation to continue along with smoke taping.
- **Block 4** – “Vieo” roof works and brick cladding are in essence complete. Removal of scaffolding continues, currently circa 50% removed. Internally, joinery 1st Fix has commenced allowing certain 1st Fix services installation to continue along with smoke taping.
- **Block 6** – The balance of window installation has been finalised. Three out of the five stairwell roofs have been closed in. Commencement of stair core handrailing. Continuation of façade facing brick and stair core blockwork.

Phase 3

- **Block 8** – Substructure works have commenced.
 - **Block 7** – Not commenced yet.
- 3.3 Quality Assurance audits have continued on site and will continue throughout the duration of the Contract to ensure quality across the overall Housing Programme.

- 3.4 Revised construction programmes have been issued by the Contractor. Once handover dates are confirmed Capital Officers will liaise with the Corporate Landlord Housing Officers to coordinate the possession of the units. Phased delivery plan is as previously outlined below:

Activity	Status
Offsite culvert works	Completed
Issue second Letter of Intent	Completed
Site clearance	Completed
Let full Contract	Completed
Site start	Completed
Phase 1 [Blocks 1, 2 and 5]	Ongoing
Phase 2 [Blocks 3, 4 and 6]	Ongoing
Phase 3 [Blocks 7 and 8]	Ongoing

- 3.5 Practical Completion is anticipated as follows:

Phase 1	Autumn 2022	128 units
Phase 2	Winter 2022/23	128 units
Phase 3	Autumn 2023	113 units

- Please note that until the whole 2,000 Programme is developed, final stage completion dates cannot be confirmed because the Council will have to ensure these dates are staggered to avoid a large volume of properties coming on to the housing list register at the same time.

Headlines/Key Issues

- 3.6 The Contractor is considering the impact that the Covid-19 pandemic has had on the construction programme. To date, he has submitted an extension of time claim for the Covid-19 lockdown period and supply chain re-mobilisation. The works are impacted by ongoing supply chain issues due to Covid-19 pandemics impacts along with delays from supply of labour, materials and deliveries, resulting in significantly extended lead time for materials. This has been exacerbated by the implications of Brexit and more recently by the ongoing conflict in Ukraine.
- 3.7 Meetings continue to seek agreement in terms of likely cost and time impacts. The outcome of the claim negotiation with officers will be reported in due course

but it is now noted that the original programme dates cannot be achieved. An extension of time has been granted for Phase 1; further extension of time claims are being reviewed and assessed; negotiation of costs is ongoing.

- 3.8 While ongoing Covid-19 work practice requirements and supply chain issues are impacting progress on site, the contractor and design team are seeking mitigation where possible.
- 3.9 Building control have advised that all blocks must be substantially progressed prior to granting next extension to the building warrant in January 2023, otherwise new regulations that come into force October 2022 might be applied.

Interdependencies update

- 3.10 Stakeholder engagement and communications with other key parties remains ongoing, such as combined heat and power supply to the project. The contracted parties are in discussion and working closely to ensure the work by others does not impact overall project delivery.

4. FINANCIAL IMPLICATIONS

- 4.1 As noted in the June 2019 report, a single tender was submitted to the Council and since then design has been developed in order to achieve financial viability.
- 4.2 The construction costs include introduction of a Combined Heat & Power system and Denburn Culvert offsite drainage works.

The overall business case gross budget of £57.8m has been approved by ACC, however we are currently carrying out negotiations with the Contractor in lieu of the Covid-19 outbreak and this budget may need to be revised.

Gross Budget	Spend to date
£57.8m	£30.0m

5. LEGAL IMPLICATIONS

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

6. ENVIRONMENTAL IMPLICATIONS

6.1 There are no direct environmental implications arising from the recommendations of this report.

7. RISK

Key Risks for Initial Construction Activities

7.1 Impact of Covid-19 delay to the programme, impact upon the site operations

7.2 Supply chain / material availability and extended lead in times.

7.3 Inclement weather

7.4 Supply chain insolvency/liquidation

7.5 Material shortage and labour shortage

Category	Risk	Low (L) Medium (M) High (H)	Mitigation
Strategic Risk	Impact of Covid-19 on the projects under design/construction and potential future impact upon delivery of units	M	Ensure lessons learned from current sites, embed float within programmes and closely monitor and liaise with the contractual parties.
Compliance	Failure to comply with project protocols	L	Increase site visits and monitoring of the construction works.
Operational	Staff both internal and external	L	Maintain home working where possible (design). Review business continuity plans.
Financial	Increased project costs, supplier risk related to the Brexit agreement, Covid-19 related cost impacts and the impact of the Ukraine War and the recent announcement of a potential recession from the Bank of England.	H	Work with legal, finance and procurement teams to understand and address contractual impacts related to the supply of labour, plant and materials.
Reputational	Late delivery of the 369 units	L	Clearly communicate with key stakeholders regarding the impact of world events upon the delivery of units.

Environment / Climate	Targeting Net Zero	L	Mitigating climate risks requirements by ensuring at the point of contract award that target net zero requirements are embedded into project specification requirements.

8. OUTCOMES

<u>COUNCIL DELIVERY PLAN</u>	
	Impact of Report
<p>Aberdeen City Council Policy Statement Programmes in the Policy Statement include assess the digital needs of the region, working with our partners to ensure the city has the required infrastructure; maximise community benefit from major developments; commit to closing the attainment gap in education while working with partners across the city; build 2,000 new Council homes and work with partners to provide more affordable homes;</p>	<p>This report highlights the progress being made with the delivery of the new Council housing at Summerhill which when delivered will support a number of inter-related policy statements within the Council delivery Plan.</p>
Aberdeen City Local Outcome Improvement Plan	
Prosperous Economy Stretch Outcomes	The construction programme for new Council housing will support the local economy, employment and training during a period of relative subdued construction activity, especially in the housing and commercial sectors.
Prosperous People Stretch Outcomes	The Council is committed to improving the key life outcomes of all people in Aberdeen City. The availability of affordable housing contributes to this objective by providing choice and opportunities which would otherwise not be available.
Prosperous Place Stretch Outcomes	The Council is committed to ensuring that Aberdeen is a welcoming place to invest, live and visit and operate

	to the highest environmental standards. The availability of affordable housing contributes to this objective.
Regional and City Strategies Strategic Development Plan; Local Development Plan	The proposals within this report support the Strategic Development Plan and Local Development Plan by working to deliver the new Council aspirations and accord with the requirements of both plans.

9. IMPACT ASSESSMENTS

Assessment	Outcome
Impact Assessment	An Equality and Human Rights Impact Assessment (EHRIA) in connection with the Council housing building programme has been carried out on 11.4.2018 based on report no RES/18/006.
Data Protection Impact Assessment	Privacy impact assessment (PIA) screening has been undertaken and a PIA is not necessary.

10. BACKGROUND PAPERS

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- 10.2 Capital Programme 23 May 2018: Shaping Aberdeen Housing LLP – Referral from City Growth and Resources: report no RES/18/006.
- 10.3 Council 5 March 2019: Housing Revenue Account Budget 2019/20: report no RES/19/202.
- 10.4 Capital Programme 23 September 2020: Summerhill New Build Housing Progress Report: report no RES/20/131.
- 10.5 Capital Programme 28 January 2021: Summerhill New Build Housing Progress Report: report no RES/20/131.

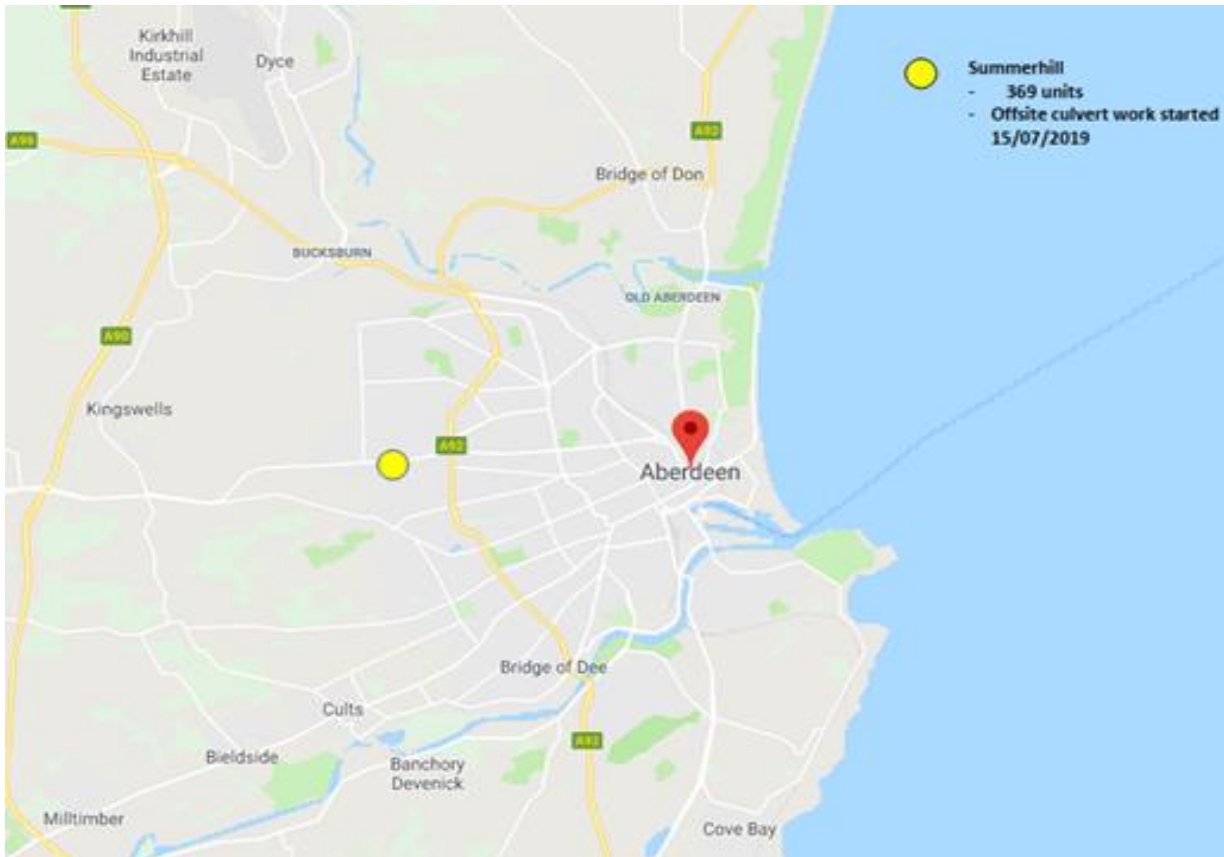
11. APPENDICES

- Appendix 1 Location Map
- Appendix 2 Site Layout
- Appendix 3 Site progress photographs

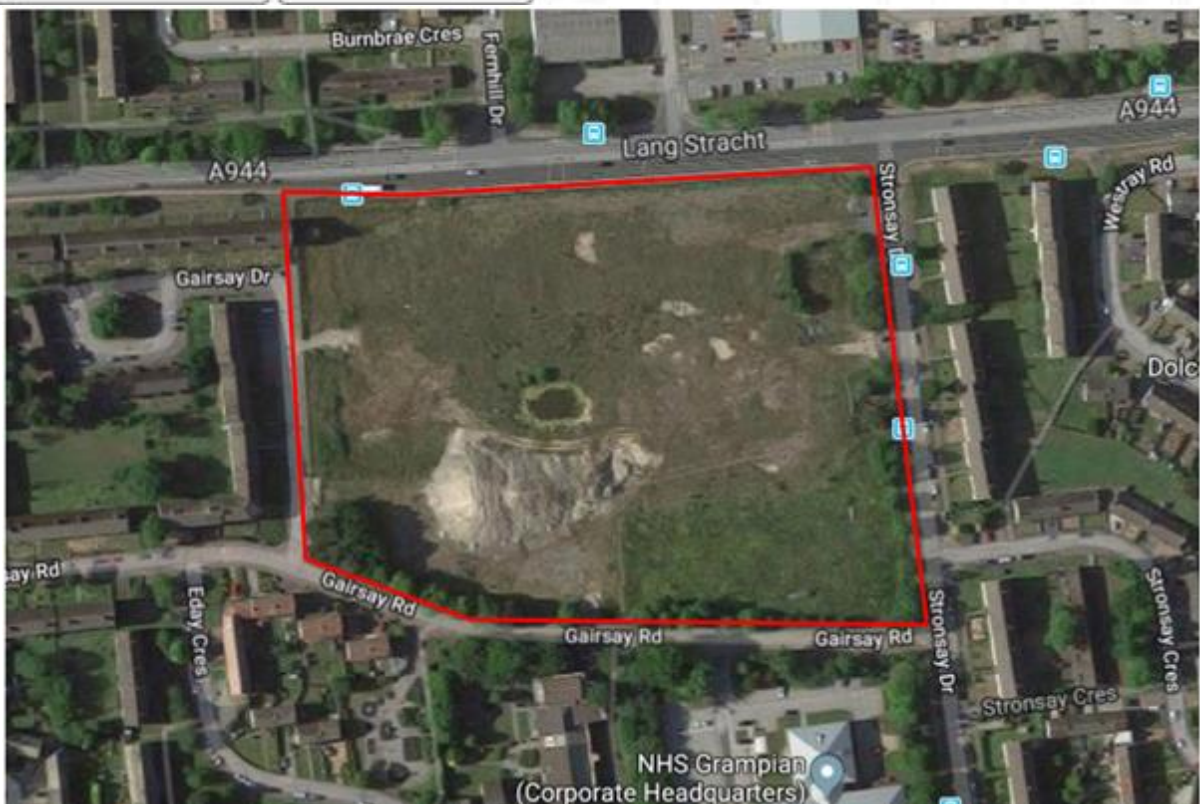
12. REPORT AUTHOR CONTACT DETAILS

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Tel	01224 523629

Appendix 1 – Location Map



Appendix 2 Site Layout



Appendix 3 Site progress photographs:



Blocks 1 & 2 – April 2022



Block 3 – March 2022

Block 5 – April 2022



Block 6 – March 2022



Block 8 – April 2022

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ABERDEEN CITY COUNCIL

COMMITTEE	Capital Programme Committee
DATE	16 June 2022
EXEMPT	No
CONFIDENTIAL	No
REPORT TITLE	Cluster Risk Registers and Assurance Maps
REPORT NUMBER	RES/22/118
DIRECTOR	Steven Whyte, Director of Resources
CHIEF OFFICER	John Wilson, Chief Officer, Capital Stephen Booth, Chief Officer, Corporate Landlord
REPORT AUTHOR	Chief Officers
TERMS OF REFERENCE	General 7.4

1. PURPOSE OF REPORT

- 1.1 To present the Cluster Risk Registers and Assurance Maps in accordance with Capital Programme Committee Terms of Reference to provide assurance that risks are being managed effectively within each Cluster.

2. RECOMMENDATION(S)

That the Committee:-

- 2.1 Note the Cluster Risk Registers and Assurance Maps set out Appendices A-D.
- 2.2 Note, in particular, the external factors which are having a negative impact on the delivery of Capital programmes/projects.

3. CURRENT SITUATION

- 3.1 The Audit, Risk and Scrutiny Committee is responsible for overseeing the system of risk management and for receiving assurance that the Extended Corporate Management Team (ECMT) are effectively identifying and managing risks. Reviewing the strength and effectiveness of the Council's system of risk management is a key role for the Committee.
- 3.2 The Risk Management Policy Framework states that all other committees should receive assurance on the risk management arrangements which fall within their terms of reference. This is provided through the risk registers for the relevant Clusters which fall within the remit for this Committee. These are:-
- Capital Risk Register
 - Corporate Landlord Risk Register

Risk Registers

- 3.3 The Council's Risks Registers are tools used by Functions and Clusters to capture and manage the risks which could prevent achievement of organisational outcomes and service delivery.
- 3.4 The Council's Corporate Risk Register (CRR) captures the risks which pose the most significant threat to the achievement of the Council's organisational outcomes and have the potential to cause failure of service delivery. The CRR is scrutinised annually by the Audit, Risk and Scrutiny Committee.
- 3.5 The Cluster Risk Registers are set out in appendices A and C and reflect the risks which may prevent each Cluster area from delivering on organisational outcomes and services, these risks may be escalated to the CRR where deemed necessary.
- 3.6 The risks contained within the Risk Register for each Cluster are grouped below by risk category and show the Council's corresponding risk appetite for each category as set within the Council's Risk Appetite Statement (RAS) which was approved by the Audit, Risk and Scrutiny Committee in February 2022.

The Clusters are working towards a target risk score which aligns with the risk appetite.

<u>Capital</u>			
Risk Category	Risk Title	Target Risk Appetite	Aligned with RAS?
Operational	Capital Project - Budget Allocations	Cautious	Yes
Operational	Capital Projects - Developer Obligations Income	Cautious	Yes
Operational	Capital Projects - Financial Stewardship	Cautious	Yes
Operational	Capital Projects – Resource	Cautious	Yes
Operational	Concurrent Risks; External Impacts (Covid, Brexit, War, etc)	Cautious	Yes
Operational	Construction delays due to interruption to supplies of materials	Averse	Yes

<u>Corporate Landlord</u>			
Risk Category	Risk Title	Target Risk Appetite	Aligned with RAS?
Financial	Failure to deliver asset valuations	Averse	Yes

Operational	Inadequate Asset Management Planning	Averse	Yes
Operational	Reinforced Autoclaved Aerated Concrete Panels and Planks (RAAC)	Averse	Yes
Compliance	Risk of non-compliance with Statutory Compliance with Council Properties	Averse	Yes
Financial	Risk to the delivery of Capital and Revenue Income	Averse	Yes

3.7 The Cluster Risk Register provides the organisation with the detailed information and assessment for each risk identified including;

- **Current risk score** – this is current assessment of the risk by the risk owner and reflects the progress percentage of control actions required in order to achieve the target risk score.
- **Target risk score** – this is the assessment of the risk by the risk owner after the application of the control actions. This is aligned with the risk appetite for this particular category of risk.
- **Control Actions** – these are the activities and items that will mitigate the effect of the risk event on the organisation.
- **Risk score** – each risk is assessed using a 4x6 risk matrix as detailed below.

The 4 scale represents the impact of the risk and the 6 scale represents the likelihood of the risk event.

Impact	Score						
Very Serious	4	4	8	12	16	20	24
Serious	3	3	6	9	12	15	18
Material	2	2	4	6	8	10	12
Negligible	1	1	2	3	4	5	6
Score		1	2	3	4	5	6
Likelihood		Impossible	Almost Very Low	Low	Significant	High	Very High

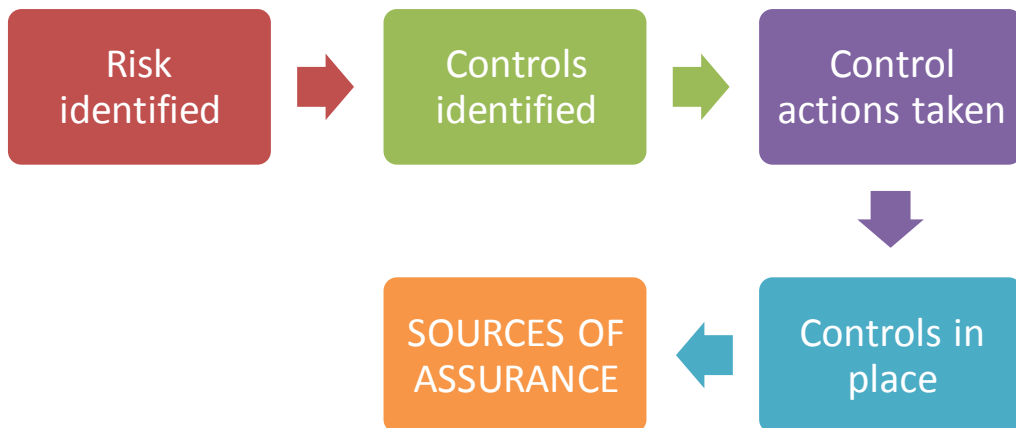
3.8 Development and improvement of the Cluster Risk Register and associated risk management processes has continued since the Cluster Risk Registers were last reported to the Committee:

- The Council's Risk Appetite Statement (RAS) was reviewed and updated.

- Risk Management Guidance – the complementary documentation which supports the Risk Management Policy was updated and approved by the Risk Board.
- Committee Report Template and Guidance – risk sections were reviewed and updated to reflect RAS and enhanced to provide additional guidance on management of risk.
- Assurance Maps – were updated to include the Corporate and/or Cluster Risks that are being managed by each Cluster to provide an overview of both the risk/s being managed and the sources of assurance which includes completed risk control actions for each of the three-lines of defence.
- The Corporate Risk Lead has continued to provide support to Risk Owners and Managers to review and update Risk Registers to improve monitoring and reporting across the organisation.

Assurance Maps

3.9 The Risk Registers that are reviewed by the Council’s Committees list the risks identified within each of the relevant Functions and Clusters and provides detail of the risk, the potential impact and consequence of the risk materialising and the control actions and activities required to manage and mitigate the risk. Assurance Maps provide a visual representation of the sources of assurance associated with each Cluster so that Committee can consider where these are effective, following the completion of control actions. Presentation of each Cluster’s Assurance Map provides full sight of the defences that the organisation has in place to manage the risks facing local government.



3.10 The Assurance Maps provide a breakdown of the “three lines of defence”, the different levels at which risk is managed. Within a large and complex organisation like the Council, risk management takes place in many ways. The Assurance Map is a way of capturing these and categorising them, thus ensuring that any gaps in sources of assurance are identified and addressed:

First Line of Defence “Do-ers”	Second Line of Defence “Helpers”	Third Line of Defence “Checkers”
The control environment; business operations performing day to day risk management activity; owning and managing risk as part of business as usual; these are the business owners, referred to as the “do-ers” of risk management.	Oversight of risk management and ensuring compliance with standards, in our case including ARSC as well as CMT and management teams; setting the policies and procedures against which risk is managed by the do-ers, referred to as the “helpers” of risk management.	Internal and external audit, inspection and regulation, thereby offering independent assurance of the first and second lines of defence, the “do-ers” and “helpers”, referred to as the checkers” of risk management.

Risk Overview

- 3.11 Over the last financial year, the most significant risk impacts are those which are external to the Council. These are impacts derived from the Covid 19 pandemic, Brexit and the recent Russia/Ukraine war. This has led to a shortage of skilled construction workers and a shortage of construction materials across all construction sectors, with the inevitable impact on the timeline for project delivery.
- 3.12 These impacts are having an adverse impact on construction costs whereby the cost of raw materials and manufactured products have increased at an alarming rate and are continuing to rise as shortages increase. Officers are also seeing an extension of lead-in times for the ordering of materials. This has generally led to a shorter period for the acceptance of any tender offers.
- 3.13 Officers are continuing to monitor published advice related to procurement, inflation and the supply chain. A recent assessment would suggest that the approved Capital Programme will require to be reviewed and reprofiled in Q1 of FY 22/23.
- 3.14 Consideration is ongoing on how best to mitigate these impacts.

4. FINANCIAL IMPLICATIONS

- 4.1 There are no direct financial implications arising from the recommendations of this report. This report deals with risk management at Cluster level and this process serves to identify controls and assurances that finances are being properly managed.

5. LEGAL IMPLICATIONS

- 5.1 There are no direct legal implications arising from the recommendations of this report. The Council’s Risk Registers serve to manage many risks with implications for the legal position and statutory responsibilities of the Council.

6. ENVIRONMENTAL IMPLICATIONS

6.1 There are no direct environmental implications arising from the recommendations of this report.

7. RISK

7.1 There are no risks arising from the recommendations in this report. The Committee is provided with assurance that the risks presented within the Cluster Risk Register are those that may affect achievement of organisational outcomes and delivery of services for each Cluster are identified, appropriately managed and that the Council's activities are compliant with its statutory duties.

Category	Risks	Primary Controls/Control Actions to achieve Target Risk Level	*Target Risk Level (L, M or H) *taking into account controls/control actions	*Does Target Risk Level Match Appetite Set?
Strategic Risk	The council is required to have a management system in place to identify and mitigate its risks.	The council's risk management system requires that risks are identified, listed and managed via Risk Registers.	L	Yes
Compliance	As above.	As above.	L	Yes
Operational	As above.	As above.	L	Yes
Financial	As above.	As above.	L	Yes
Reputational	As above.	As above.	L	Yes
Environment / Climate	As above.	As above.	L	Yes

8. OUTCOMES

8.1 The recommendations within this report have no direct impact on the Council Delivery Plan however, the risks contained within the Council's risk registers could impact on the delivery of organisational outcomes.

9. IMPACT ASSESSMENTS

Assessment	Outcome
Integrated Impact Assessment	Not required
Data Protection Impact Assessment	Not required
Other	Not applicable

10. BACKGROUND PAPERS

10.1 None

11. APPENDICES

11.1 Appendix A: Capital Cluster Risk Register

11.2 Appendix B: Capital Cluster Assurance Map

11.3 Appendix C: Corporate Landlord Cluster Risk Register

11.4 Appendix D: Corporate Landlord Assurance Map

12. REPORT AUTHOR CONTACT DETAILS

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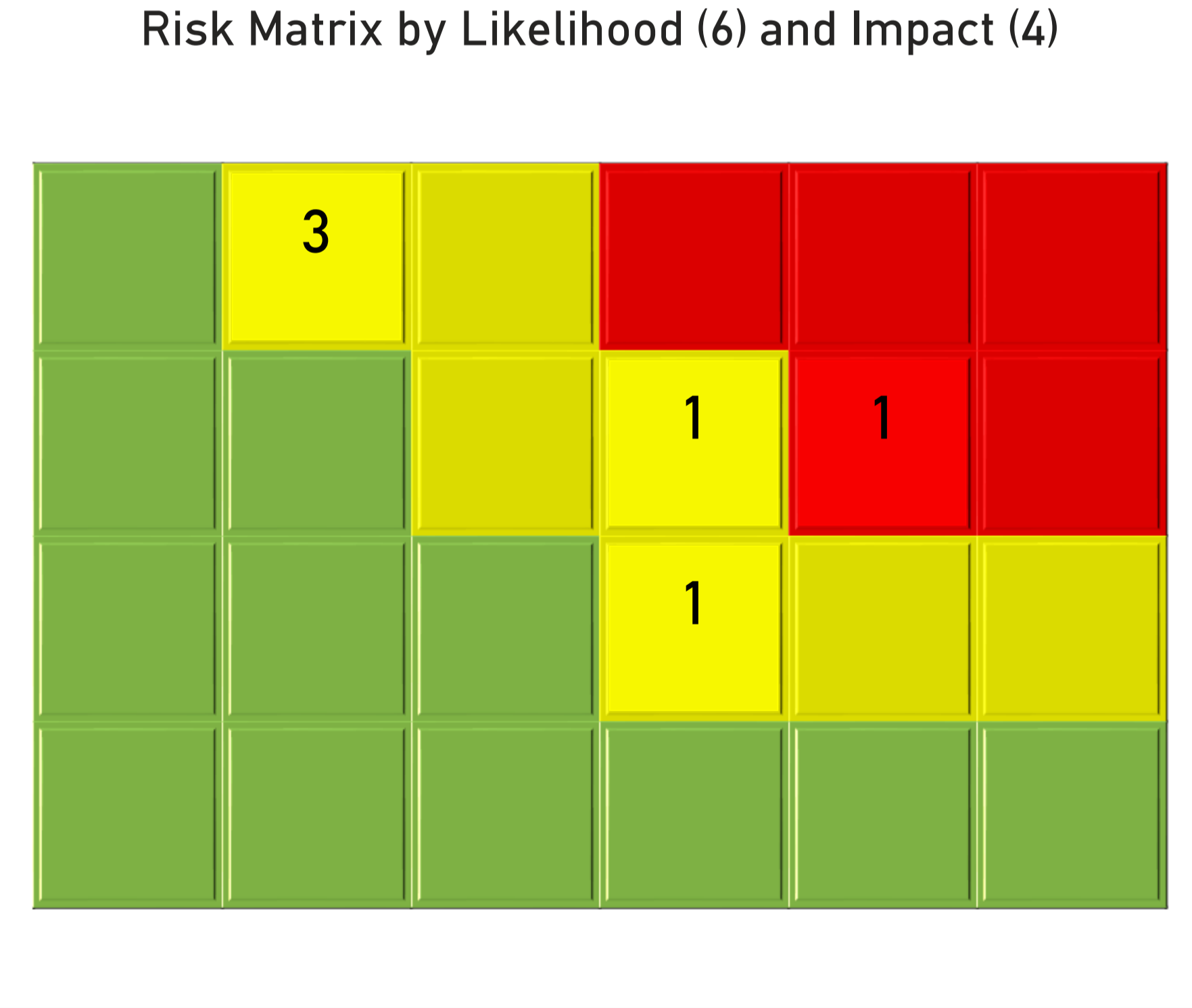
Capital Risk Register

CURRENT CLUSTER RISKS	CURRENT RISK SCORE
Capital Project - Budget Allocations	8
Capital Projects - Developer Obligations Income	8
Capital Projects - Financial Stewardship	8
Capital Projects - Resource	8
Concurrent Risks; External Impacts (Covid, Brexit, War, etc)	15
Construction delays due to interruption to supplies of materials	12

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Number of Cluster Risks

6



FUNCTION	CLUSTER	RISK OWNER	RISK LEAD
Resources	Capital	Steve Whyte	John Wilson

RISK TITLE	RISK DESCRIPTION	CONTROL ACTIONS	TARGET RISK SCORE	CURRENT RISK SCORE	CURRENT LIKELIHOOD	CURRENT IMPACT	TARGET COMPLETION DATE
Capital Project - Budget Allocations	Budget allocations within approved Outline Business Cases of projects are insufficient for project development/construction and any associated future maintenance obligations.	<ul style="list-style-type: none"> . Cost estimates for key projects to be reviewed at key stages of delivery. . Regular progress meetings. . Regular reporting to other Chief Officers . Close collaboration with named project sponsor and Chief Officer- Corporate Landlord. . Regular reporting to Chief Officer - Finance . Regular reporting to Director of Resources . Quarterly review of Capital Programme by Capital SMT. 	8	8	2	4	18 August 2022

FUNCTION	CLUSTER	RISK OWNER	RISK LEAD
Resources	Capital	Steve Whyte	John Wilson

RISK TITLE	RISK DESCRIPTION	CONTROL ACTIONS	TARGET RISK SCORE	CURRENT RISK SCORE	CURRENT LIKELIHOOD	CURRENT IMPACT	TARGET COMPLETION DATE
Capital Projects - Developer Obligations Income	The income from Developer Obligations is less than expected.	<p>Cost estimates for key projects to be reviewed at key stages of delivery.</p> <p>Close collaboration with Developer Obligations Team Leader (Strategic Place Planning).</p> <p>Regular progress meetings by project managers of expected developer obligations.</p> <p>Close collaboration with other Chief Officers.</p> <p>Ensure independent cost estimate review check is carried out, prior to approving OBC.</p> <p>Regular reporting to Finance Officers, monthly.</p>	8	8	4	2	18 August 2022

FUNCTION	CLUSTER	RISK OWNER	RISK LEAD
Resources	Capital	Steve Whyte	John Wilson

RISK TITLE	RISK DESCRIPTION	CONTROL ACTIONS	TARGET RISK SCORE	CURRENT RISK SCORE	CURRENT LIKELIHOOD	CURRENT IMPACT	TARGET COMPLETION DATE
Capital Projects - Financial Stewardship	Risk that management failures / slippage in the delivery of capital projects /failure to secure and or retain funding from external sources, impacts negatively on the Council's financial stewardship.	Alignment of risk at project and directorate levels with specific regard to allocated budgets Effective project management with risk management training for key managers in relation to the Capital Programme Project delivery reviews Have open communication channels and effective sharing of information within the Cluster Effective communication channels maintained with contractors/developers to minimise disruption Regular reporting to Director and wider CMT Monthly review with Capital Finance Officer Quarterly review of Capital Programme by Capital SMT	8	8	2	4	18 August 2022

FUNCTION	CLUSTER	RISK OWNER	RISK LEAD
Resources	Capital	Steve Whyte	John Wilson

RISK TITLE	RISK DESCRIPTION	CONTROL ACTIONS	TARGET RISK SCORE	CURRENT RISK SCORE	CURRENT LIKELIHOOD	CURRENT IMPACT	TARGET COMPLETION DATE
Capital Projects - Resource	Lack of staff resources which impacts on the delivery of capital projects.	<ul style="list-style-type: none"> Key projects to have their own risk register Regular risk register reviews for key projects Regular progress meetings for key projects Regular reporting to key Chief Officers Regular reporting to Director of Resources and wider CMT for key projects Significant risks reported to Capital Programme Committee for key projects Meetings to be held with Cluster Managers as part of Service re-design and review of 22/23 budget. 	8	8	2	4	29 December 2022

FUNCTION	CLUSTER	RISK OWNER	RISK LEAD
Resources	Capital	John Wilson	John Wilson

RISK TITLE	RISK DESCRIPTION	CONTROL ACTIONS	TARGET RISK SCORE	CURRENT RISK SCORE	CURRENT LIKELIHOOD	CURRENT IMPACT	TARGET COMPLETION DATE
Concurrent Risks; External Impacts (Covid, Brexit, War, etc)	There are a number of significant concurrent external factors such as, but not limited to, the Covid - 19 pandemic, Brexit, and the Russia invasion of Ukraine (war), all of which are having a current and direct impact on the deliverability of projects/programmes contained within the approved Capital Programme. The principle risks are increased costs, shortage of materials, shortage of labour and inflation.	Cost estimates for key projects to be reviewed at key stages of delivery. Strong focus on achieving cost certainty prior to contract commitment. Close collaboration with Developer Obligations Team Leader (Strategic Place Planning) Regular of costs at design development and construction progress meetings. Close collaboration with other Chief Officers. Ensure independent cost check is carried out where required. Regular reporting to Finance Officers. There may be a requirement to review the approved Capital Programme.	8	15	5	3	30 March 2023

FUNCTION	CLUSTER	RISK OWNER	RISK LEAD
Resources	Capital	John Wilson	John Wilson

RISK TITLE	RISK DESCRIPTION	CONTROL ACTIONS	TARGET RISK SCORE	CURRENT RISK SCORE	CURRENT LIKELIHOOD	CURRENT IMPACT	TARGET COMPLETION DATE
Construction delays due to interruption to supplies of materials	Construction projects delayed due to interruptions to supplies of construction materials due to Covid, Brexit, climate events or industrial action.	<p>Give consideration to ordering materials in advance of construction start.</p> <p>Give consideration to making more/better use of local materials and suppliers.</p> <p>Give consideration to making more use of recycled and re-usable materials.</p>	6	12	4	3	18 August 2022

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Assurance Map		
Capital		
Cluster Risk Register Risks:		
<ol style="list-style-type: none"> 1. Capital Project - Budget Allocations - Budget allocations within approved Outline Business Cases of projects are insufficient for project development/construction and any associated future maintenance obligations. 2. Capital Projects - Developer Obligations Income - The income from Developer Obligations is less than expected. 3. Capital Projects - Financial Stewardship - Risk that management failures / slippage in the delivery of capital projects /failure to secure and or retain funding from external sources , impacts negatively on the Council's financial stewardship. 4. Capital Projects – Resource – Lack of staff resources which impacts on the delivery of capital projects. 5. Concurrent Risks: External Impacts (Covid, Brexit, War, etc) - External factors such as Covid - 19 pandemic, Brexit, Ukraine (war), having a direct impact on the deliverability of projects/programmes contained within the approved Capital Programme. 6. Construction delays due to interruption to supplies of materials - Construction projects delayed due to interruptions to supplies of construction materials due to Covid, Brexit, climate events or industrial action. 		
First Line of Defence (Do-ers)	Second Line of Defence (Helpers)	Third Line of Defence (Checkers)
<ul style="list-style-type: none"> • Trained and qualified staff • Follow Project Management protocols for project delivery. • Ensure project/programme risk register review meetings include consideration of any financial impact on the wider capital portfolio and any implications this may have across the Council. • Ensure key/sensitive projects allocated to managers with appropriate skills. • Review risk management training programme for key staff. • Seek guidance from Project Management Office. • Plan for good communication across Clusters • Consider availability to utilise ACC staff with appropriate skill out with the Capital team to deliver the capital programme of projects. 	<ul style="list-style-type: none"> • CMT Boards • Council Committees • Resources Function Senior Management Team (SMT) undertakes review of Cluster Operational Risk Register. • Review by Chief Officer Capital and provide any key updates to Director of Resources and other Chief Officers. • Review by Capital Board • Report any issues by exception to the Performance Board • Policy Documentation 	<ul style="list-style-type: none"> • External Audit

<ul style="list-style-type: none">• Consider availability of using consultant/contractor frameworks to facilitate the delivery of the capital programme of projects• Ensure consultation with other key Chief Officers• Cost estimates for key projects to be reviewed at key stages of delivery• Ensure independent cost estimate review check is carried out, prior to approving OBC• Regular progress meetings.• Where appropriate maintain close collaboration with other Chief Officers throughout delivery• Regular reporting to Finance Officers, monthly.		
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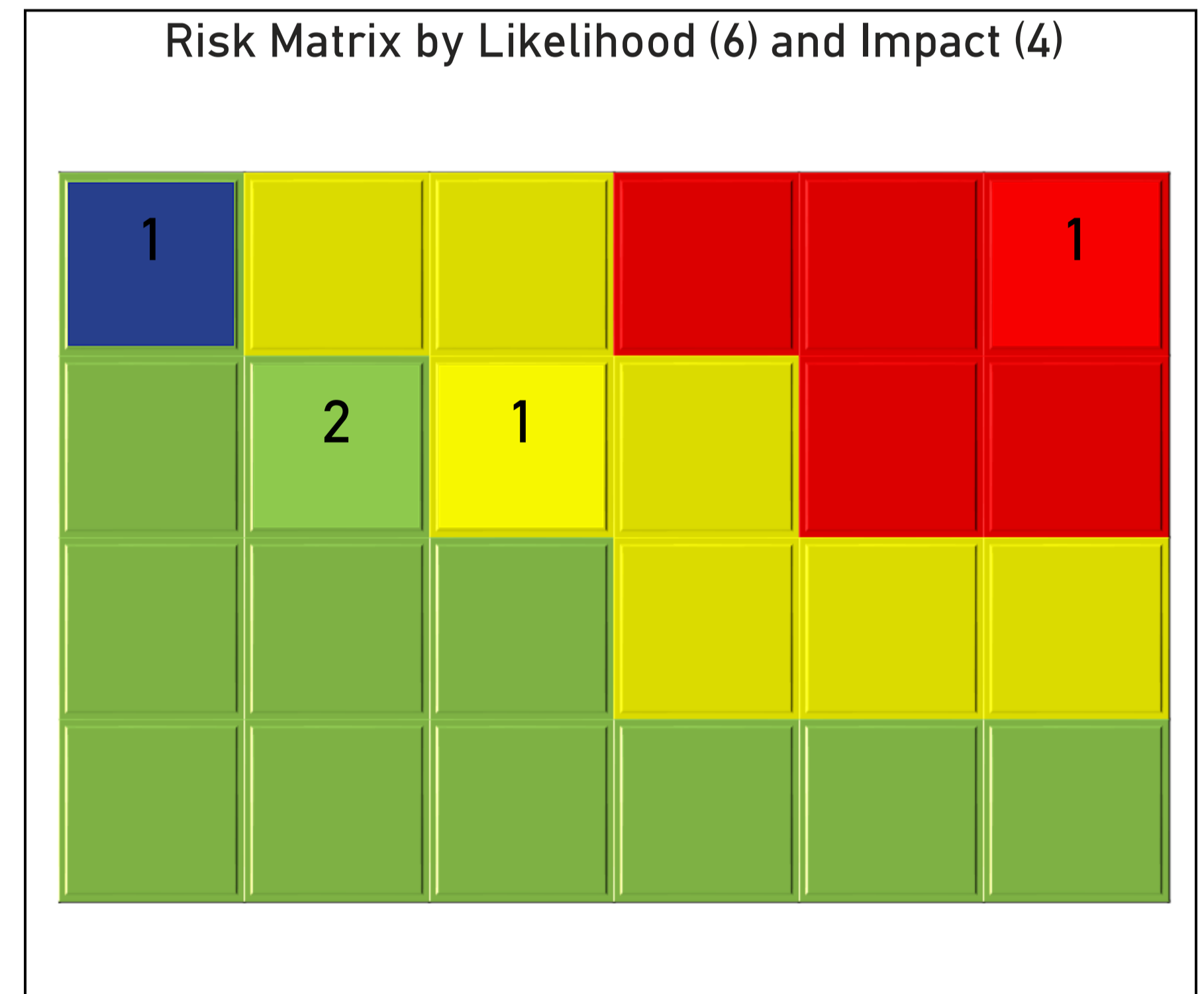


Corporate Landlord Services Risk Register

CURRENT CLUSTER RISKS	CURRENT RISK SCORE
Failure to deliver asset valuations	9
Inadequate Asset Management Planning	6
Reinforced Autoclaved Aerated Concrete Panels and Planks (RAAC)	4
Risk of non compliance with Statutory Compliance with Council Properties	6
Risk to the delivery of Capital and Revenue Income	24

Number of Cluster Risks

5



FUNCTION	CLUSTER	RISK OWNER	RISK LEAD
Resources	Corporate Landlord	Stephen Booth	David Marshall

RISK TITLE	RISK DESCRIPTION	CONTROL ACTIONS	TARGET RISK SCORE	CURRENT RISK SCORE	CURRENT LIKELIHOOD	CURRENT IMPACT	TARGET COMPLETION DATE
Failure to deliver asset valuations	Risk of failure to complete the asset valuation which is required for the council financial accounts.	<p>Resource plan developed on annual basis although there are vacant posts.</p> <p>Regular meetings with Finance Team.</p> <p>Staff CPD and training.</p> <p>Options around alternative delivery models regularly reviewed.</p> <p>There are currently a number of vacant posts within the team which are being advertised without any applicants.</p>	6	9	3	3	30 March 2023

FUNCTION	CLUSTER	RISK OWNER	RISK LEAD
Resources	Corporate Landlord	Stephen Booth	David Marshall

RISK TITLE	RISK DESCRIPTION	CONTROL ACTIONS	TARGET RISK SCORE	CURRENT RISK SCORE	CURRENT LIKELIHOOD	CURRENT IMPACT	TARGET COMPLETION DATE
Inadequate Asset Management Planning	Risk that resources will not be allocated appropriately and efficiently if asset management plan is not in place and is not robust.	<p>Better engagement with public sector partners and ALEO's.</p> <p>Asset Management Teams pulled together under Corporate Landlord in 2019. Awaiting revised structure.</p> <p>Business cases around asset rationalisation.</p> <p>Programme being managed through Transformation Group.</p> <p>Engagement with other Chief Officers on future and current requirements.</p>	2	6	2	3	30 March 2023

FUNCTION	CLUSTER	RISK OWNER	RISK LEAD
Resources	Corporate Landlord	Stephen Booth	David Marshall

RISK TITLE	RISK DESCRIPTION	CONTROL ACTIONS	TARGET RISK SCORE	CURRENT RISK SCORE	CURRENT LIKELIHOOD	CURRENT IMPACT	TARGET COMPLETION DATE
Reinforced Autoclaved Aerated Concrete Panels and Planks (RAAC)	RAAC was a commonly used material in the 60's, 70's and early 80's. There have a small number of incidents where roof planks have failed leading to the collapse to elements of the roof. RAAC has been confirmed as present in a small number of buildings with others requiring to be assessed.	<p>Carry out a desktop exercise to identify potential buildings that may have RAAC.</p> <p>Appoint Structural Engineer to carry out an initial assessment of buildings identified. Structural Engineer and Officers to agree detailed survey requirements.</p> <p>Structural Engineer to carry out invasive testing as required and provide recommendations for any work. ACC officers to consider recommendations.</p>	2	4	1	4	31 October 2022

FUNCTION	CLUSTER	RISK OWNER	RISK LEAD
Resources	Corporate Landlord	Stephen Booth	David Marshall

RISK TITLE	RISK DESCRIPTION	CONTROL ACTIONS	TARGET RISK SCORE	CURRENT RISK SCORE	CURRENT LIKELIHOOD	CURRENT IMPACT	TARGET COMPLETION DATE
Risk of non compliance with Statutory Compliance with Council Properties	The Council is required to safeguard its employees and members of the public to ensure their health and safety through effective implementation of statutory maintenance and compliance checks such as asbestos management plans, gas safety certification, legionella testing etc.	<p>Statutory compliance policy in place which defines roles, responsibilities and arrangements.</p> <p>Sufficient resource in place across the Council to fulfill legal requirements.</p> <p>Regular management meetings to discuss compliance.</p> <p>Regular monthly meetings with contractors to review compliance with contract.</p> <p>Suite of KPI's in some areas.</p>	6	6	2	3	30 March 2023

FUNCTION	CLUSTER	RISK OWNER	RISK LEAD
Resources	Corporate Landlord	Stephen Booth	David Marshall

RISK TITLE	RISK DESCRIPTION	CONTROL ACTIONS	TARGET RISK SCORE	CURRENT RISK SCORE	CURRENT LIKELIHOOD	CURRENT IMPACT	TARGET COMPLETION DATE
Risk to the delivery of Capital and Revenue Income	The Cluster has income targets for capital and revenue income.	<p>Staff have appropriate training, qualifications and engage with market and like professionals.</p> <p>Regular contract management, marketing and income meetings.</p> <p>Use of external property and other consultants, management agreements and managing agents as appropriate.</p> <p>Revised surplus procedure to streamline process.</p> <p>Partnership arrangements in a number of areas to reduce risk, introduce experience.</p> <p>Current projections are being fed into medium term financial plan.</p>	6	24	6	4	30 March 2023

Assurance Map		
Corporate Landlord		
Cluster Risk Register Risks:		
<ol style="list-style-type: none"> 1. Failure to deliver asset valuations - Risk of failure to complete the asset valuation which is required for the council financial accounts. 2. Inadequate Asset Management Planning - Risk that resources will not be allocated appropriately and efficiently if asset management plan is not in place and is not robust. 3. Reinforced Autoclaved Aerated Concrete Panels and Planks (RAAC) - RAAC was a commonly used material in the 60's, 70's and early 80's. There have a small number of incidents where roof planks have failed leading to the collapse to elements of the roof. RAAC has been confirmed as present in a small number of buildings with others requiring to be assessed. 4. Risk of non-compliance with Statutory Compliance with Council Properties - The Council is required to safeguard its employees and members of the public to ensure their health and safety through effective implementation of statutory maintenance and compliance checks such as asbestos management plans, gas safety certification, legionella testing etc. 5. Risk to the delivery of Capital and Revenue Income - The Cluster has income targets for capital and revenue income. 		
First Line of Defence (Do-ers)	Second Line of Defence (Helpers)	Third Line of Defence (Checkers)
<ul style="list-style-type: none"> • Trained and qualified staff • Operational procedures and guidance including those set out in the Business Continuity Plans in the event of a system or process failure. • Risk Assessments. • Staff training and development on business continuity arrangements. • Analysis following activation of Customer Experience Cluster Senior. • Management Team (SMT) undertakes review of Cluster Operational Risk Register. • Staff have appropriate training, qualifications and engage with market and like professionals. • Regular marketing and income meetings. • Use of external property consultants, management agreements and managing agents as appropriate. • Resource plan developed. • Use of external advisors in specialised areas. 	<ul style="list-style-type: none"> • CMT Boards • Council Committees • Policy Documentation. • Resources Senior Management Team (SMT) undertakes review of Cluster Operational Risk Register. • Executive Board Structure • Assurance Team. • Business Continuity Group Sub-Group. • Annual reporting of Function / Cluster Risk Register to Operational Delivery Committee • Monthly budget print outs. • Capital Board – post project reviews and post occupancy evaluations. 	<ul style="list-style-type: none"> • Internal Audit - Industrial and Commercial Property Rental Income and Void Control. • External Audit. • RICS Registration.

<ul style="list-style-type: none">• Participation in national networks (CIPFA/ ACES/ RICS/ SHoPs etc.)• Programmes of inspections for property portfolio.• Contract management meetings.		
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