

ABERDEEN CITY COUNCIL

COMMITTEE	Communities, Housing and Public Protection
DATE	26 August 2025
EXEMPT	No
CONFIDENTIAL	No
REPORT TITLE	New Housing Capital Programme Delivery: Projects Update
REPORT NUMBER	CR&E/25/194
DIRECTOR	Gale Beattie
CHIEF OFFICER	Alan McKay
REPORT AUTHOR	Scott Whitelaw
TERMS OF REFERENCE	1.1.1

1. PURPOSE OF REPORT

- 1.1 To summarise progress of delivery of key capital expenditure projects identified within the approved Capital Programme from the Housing Revenue Account.
- 1.2 The report highlights matters of particular note in relation to Council-led new build housing sites at Summerhill, Craighill, Kincorth, Tillydrone, Kaimhill, Clinterty and Greenferns, and the Developer-led new build housing site at Cloverhill.

2. RECOMMENDATION(S)

That the Committee:-

- 2.1 Note the progress in the delivery of the programme of social housing sites across the city;
- 2.2 Note that this will be the final reporting for the completed developments at Summerhill, Tillydrone, Kaimhill and Clinterty; and
- 2.3 Agree that future updates regarding the New Housing Capital Programme Delivery will be reported to the Communities, Housing and Public Protection Committee through the Housing Board Bi-Annual Report.

3. CURRENT SITUATION

Background

- 3.1 At the Finance & Resources meeting held on Wednesday 13 March 2024 within report RES/24/070, the Chief Officer – Capital advised in paragraph 3.2, that the delivery of the new housing developments (under construction) would be reported to the Communities, Housing and Public Protection Committee on the understanding that any contractual/financial issues would continue to be reported to the Finance & Resources Committee. This report outlines progress made since March 2024.
- 3.2 This report follows the same reporting content, including additional information in Appendix A, as submitted to the Finance & Resources Committee but only in regard to key project updates within the approved Housing Capital Programme.

Housing Revenue Account (HRA) – Capital Programme

- 3.3 With regard to the Council led new housing sites, works have now concluded at the Summerhill, Kaimhill, Tillydrone and Clinterty projects such that they have all achieved practical completion and properties are occupied.
- 3.4 Following a value engineering and re-tender exercise, works have recommenced at Craighill and Kincorth council-led development sites.
- 3.5 The other two projects of note are the new Stoneywood Complex Care development and works to bring into use the flats at 206 Union Street.

Summerhill New Build Housing

- 3.6 All of the 369 homes have now been handed over and occupied, the final block was handed over in March 2024.

Tillydrone New Build Housing

- 3.7 Handover of 70 homes was undertaken in two phases during January and April of 2024.

Kaimhill New Build Housing

- 3.8 Handover of all 35 homes took place in June 2024.

Craighill New Build Housing

- 3.9 This project will deliver 87 new homes.
- 3.10 The enabling ground works have previously been completed.
- 3.11 During Summer 2023, a committee decision was taken to pause the award of the construction works and to review where savings could be made through value-engineering with the aim of delivering a more cost-effective development.
- 3.12 A value engineering exercise was undertaken and new / revised planning and building warrant applications submitted and approved. Thereafter, a competitive re-tender exercise was undertaken based on the value engineered design.
- 3.13 CHAP Construction have been appointed as the Principal Contractor and works started onsite in late 2024.
- 3.14 Works are currently anticipated to be complete in April 2026.

Kincorth New Build Housing

- 3.15 This project will deliver 195 new homes.
- 3.16 The enabling ground works have previously been completed.
- 3.17 During Summer 2023, a committee decision was taken to pause the award of the construction works and to review where savings could be made through value-engineering with the aim of delivering a more cost-effective development.
- 3.18 A value engineering exercise was undertaken and a new / revised planning and building warrant applications submitted and approved. Thereafter, a competitive re-tender exercise was undertaken based on the value engineered design.

- 3.19 Ogilvie Construction have been appointed as the Principal Contractor. The site was handed over to the contractor in July 2025 with a works site start date expected during August 2025.
- 3.20 Works are due to be complete in 2028.

Cloverhill New Build Housing

- 3.21 The project continues to progress well on site with the latest phases being handed over on a monthly basis from now to completion. At time of writing a total of 414 units out of 536 have now been handed over to ACC.
- 3.22 Works across the site are anticipated to finish ahead of programme in early 2026.

206 Union Street Refurbishment

- 3.23 The project achieved practical completion in April 2025 with all 28 homes handed over.

Stoneywood Complex Care

- 3.24 Construction commenced in May 2024.
- 3.25 Works are nearing completion progressing towards client handover and onsite familiarisation sessions.
- 3.26 Following an application through the Scottish Government's Affordable Housing Supply Programme the project received funding of £1,275,606.
- 3.27 Completion of the project is expected in August 2025.

Greenferns

- 3.28 The site is working through masterplanning design stages to the next appropriate milestone. It is anticipated that a report will come back to committee in early 2026.

Clinterty Travellers Site

- 3.29 Handover of all units took place in early 2024.

4. FINANCIAL IMPLICATIONS

- 4.1 The Chief Officer – Capital continues to review the approved Capital Programme in light of external pressures.
- 4.2 There remains a risk that costs will increase for those projects under construction and those in any future programmes. This will be closely monitored along with Finance.
- 4.3 Members are aware that the Council are obliged to deliver its obligations within a balanced budget. In the context of the approved Capital Programme, and bearing in mind paragraphs 4.1 and 4.2 above, regular consideration needs to be carried out on whether to delay, pause or cancel any projects which are still not legally committed.

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	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	Failure to manage Council finance and resources could lead to failure to achieve strategic objectives.	Regular financial reporting and monitoring activities, to incorporate financial resilience to address financial pressures arising in year, is maintained and monitored.	M	Yes
Compliance	Failure to be able to comply with project requirements	Increase site visits and monitoring of the construction works. If required, review alternative / mitigation options as soon as possible.	L	Yes
Operational	Balancing the pressures of finite resources both internal and external to the Council	Regular engagement between relevant Clusters within the Council along with ongoing engagement with Framework hosts, Suppliers, Procurement & Services re alternative products or delivery methods.	M	Yes
Financial	Escalation of costs	Development of suitable price mechanisms. Use of Business Intelligence to predict market changes/trends. Price Increase Request Process.	M	Yes
	Differing market conditions depending on commodity/service	Market engagement/use of business intelligence to assist in predicting market changes and trends.	M	
Reputational	Programmes/projects being delayed or stopped	As above.	M	Yes

Environment / Climate	Failure to consider sustainable options due to costs.	Ensure all contracts consider environmental considerations, and early market engagement is conducted to seek market intelligence.	M	Yes

8. OUTCOMES

<u>COUNCIL DELIVERY PLAN 2022-2023</u>	
	Impact of Report
Aberdeen City Council Policy Statement <u>Working in Partnership for Aberdeen</u>	Reviewing the approved Capital Programme in light of the cost pressures resulting from external drivers, will enable the Council best to meet and prioritise the delivery of its capital funded programmes /projects.
<u>Aberdeen City Local Outcome Improvement Plan 2016-26</u>	
Prosperous Economy Stretch Outcomes	The recommendations outlined within this report have included consideration of the current stage of programme/project delivery.
Prosperous People Stretch Outcomes	The recommendations outlined within this report have included consideration of the current stage of programme/project delivery.
Prosperous Place Stretch Outcomes	The recommendations outlined within this report have included consideration of the current stage of programme/project delivery.
Regional and City Strategies	Reviewing the approved Capital Programme in light of the cost pressures resulting from external drivers, will enable the Council best to meet and prioritise the delivery of its capital funded programmes /projects to align with its regional and city strategies.

9. IMPACT ASSESSMENTS

Assessment	Outcome
Integrated Impact Assessment	No assessment required. I confirm this has been discussed and agreed with Alan McKay, Chief Officer Capital on 30 July 2025.
Data Protection Impact Assessment	Not required
Other	Not required

10. BACKGROUND PAPERS

10.1 None

11. APPENDICES

11.1 Appendix A – Supporting Project Annex Information

12. REPORT AUTHOR CONTACT DETAILS

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Appendix A – Supporting Project Annex Information

ACC Summerhill Project Update

The new development is 369 housing units across 8 blocks with a mix of one, two and three bedroom flats.

- 1. Update since last report provided in September 2024

The project is complete with all blocks handed over to the Council.

- 2. Planned progress in next reporting period (consider 3 months)

Any snagging works, if applicable.

- 3. Spend to end of Period 4 2025/26

Gross Budget	Spend to Date
£50.868m	£61.862m

The figure above takes no account of any grant funding received

- 4. Interdependencies
N/A, project is complete.

- 5. Progress Photograph





Tillydrone Project Update

CHAP Construction were appointed as the Principal Contractor responsible for construction, with works commencing in late 2021.

- 1. Update since last report provided in September 2024

The project is complete with all blocks handed over to the Council.

- 2. Planned progress in next reporting period (consider 3 months)

Any snagging works, if applicable.

- 3. Spend to end of Period 4 2025/26 is as follows:

Gross Budget	Spend to Date
£24.7m	£23.734m

- 4. Interdependencies
N/A, project is complete.

- 5. Progress Photograph



Kaimhill Project Update

The project is to construct a mix of 35 no. bungalow's/housing units across 9 blocks and also include a new community play park and community green space.

- 1. Update since last report provided in September 2024

The project is complete with all units handed over to the Council.

- 2. Planned progress in next reporting period (consider 3 months)

Any snagging works, if applicable.

- 3. Spend to end of Period 4 2025/26 date

Gross Budget	Spend to Date
£13.8m	£14.417m

The figure above takes no account of any grant funding received

- 4. Interdependencies

N/A, project is complete.

- 5. Progress Photograph



Craighill Project Update

The site is the former Craighill Primary School in Kincorth.

The development consists of 87 No units.

1. Update since last report to Committee in September 2024;
A re-tender exercise has been completed and CHAP Construction have been appointed as Principal Contractor. Works have started on site.
2. Planned progress in next reporting period (consider 3 months)
Substructure and utility connections well under way. Internal mechanical and electrical fit out works ongoing. Internal decoration commenced on a number of units.
3. Spend to end of Period 4 2025/26:

Contract Sum	Spend to Date
£26m	£17.640m





Kincorth Project Update

The site is the former Kincorth Academy site in Kincorth. Following the pause on the original proposal, a value engineering / redesign process has been carried out which has resulted in a 195 unit development.

1. Update since last report to Committee in September 2024;
A re-tender exercise has been completed based on the revised value engineered design and Ogilvie Construction have been appointed as Principal Contractor. Works are due to start onsite in August 2025.

2. Planned progress in next reporting period (consider 3 months)
Site set up, utility connections and above ground construction commencement.

3. Spend to end of Period 4 2025/26:

Contract Sum	Spend to Date
£45.16m	£8.227m

4. Interdependencies

On site coordination of works

5. Site Progress Photographs

N/A site start imminent

Cloverhill Project Update

Cloverhill will provide a total of 536 units, 3 commercial units, community centre, football pitch and public park areas in the Bridge of Don area of the city.

Cloverhill is a Developer led scheme presented by Bancon Homes Limited comprising of 536 units. Bancon started on site in late 2022.

1. Update since last report to Committee in September 2024;
Units have been handed over in a phased approach in line with programme
Community Centre fit out is due to commence
2. Planned progress in next reporting period (consider 3 months)
The project is ahead of programme with completion of the full site expected in early 2026.
3. Spend to end of Period 4 2025/26:

Contract Sum	Spend to Date
£137.5m	£127.014m

The figure above takes no account of any grant funding received

4. Interdependencies
On site coordination of works

5. Site Progress Photographs





206 Union Street Project Update

The project considered the refurbishment of the existing upper floors and roof for 28 one bed flats. Following numerous attempts to tender this project; inclusive of both internal and external contractors, all without success the project team negotiated a tender and works commenced in spring 2023.

- 1. Update since last report to Committee in September 2024;
The project is complete with all units handed over to the Council.
- 2. Planned progress in next reporting period (consider 3 months)
Any snagging works, if applicable

- 3. Spend to the end of Period 4 2025/26:

Gross Budget	Spend to Date
£3.7m	£3.7m

- 4. Interdependencies
None
- 5. Progress Photographs





Complex Care

Individuals with learning disabilities and complex care needs require the provision of suitable, robust accommodation, which is currently unavailable within our existing housing stock. Unsuitable environments can lead to challenges in the management of need and communication, often resulting in challenging behaviour. This requires the development of sustainable and robust accommodation which will meet the profile of need for those with complex care requirements. These requirements are evidenced through good practice and wider learning on a local and national basis.

- 1. Update since last report to Committee in September 2024;
Works are nearing completion with the handover of the staff unit anticipated in advance of the properties in a phased approach thereafter.
- 2. Planned progress in next reporting period (consider 3 months)
Project completion and handover.

3. Spend to end of Period 4 2025/26:

Gross Budget	Spend to Date
£5.6m	£4.402m

This excludes any funding received.

- 4. Interdependencies
Mechanical and electrical coordination
- 5. Progress Photographs





ACC Greenferns

The Greenferns site is a 73.6ha site located on the eastern boundary of the city between Bucksburn and Sheddocksley. The Greenferns site is included as an Opportunity Site (Ref: OP 33 & 28) within the adopted Aberdeen Local Development Plan (2017) (ALDP).

The allocation establishes the principle of developing the site as an extension of the city boundary for around 1,470 homes and 10 hectares of employment land. The site is owned by ACC.

1. Update since last Report in September 2024

Planning permission in principle was granted in spring 2024 subject to conditions within the agreement. A legal agreement (Section 75) has been drafted to regularise the future development of the site when further detailed planning applications are lodged in due course. The final point that is being agreed is the trigger for additional off site road improvement works that are required to ensure the continued smooth running of the adjacent road network.

This is the final point to be agreed in respect of the draft Section 75 agreement and it is anticipated this should be completed in autumn of 2025. This will then allow the Planning Permission in Principle to be approved. This then sets the framework and general conditions for all future MSC (detailed applications) to be brought forward in the future.

2. Planned progress in next reporting period (consider 3 months)

The design work on the phase 1 is progressing well with the layout and unit designs agreed. It is anticipated that the design works will be concluded to allow a submission of the planning application in late 2025 which should link with agreeing the final terms of the legal agreement for the overall Planning Permission in Principle. No submission for planning can be made until after the Planning Permission in Principle has been formally granted. The final design works on Phase 1 will be completed by autumn of 2025 to allow the submission of the planning application .

Site Photograph



Clinterty Travellers Site Project Update

The site redevelopment will increase caravan capacity whilst retaining the provision of 21 individual plots. A mixture of plot sizes has been provided to ensure the site meets the needs of the travelling community. Each plot has an amenity building providing cooking, washing and storage spaces.

The Contractor for the works was the Council’s Building Services.

- 1. Update since last report provided in September 2024.

The works were practically complete in early 2024 with tenants returning to site thereafter. The official opening event was held on 29 April.

- 2. Planned progress in next reporting period (consider 3 months)

Attend to snagging as required.

- 3. Spend to date

Spend to the end of 2024/25 :

Gross Budget	Spend to Date
£6.48m	£6.04m

- 4. Interdependencies

N/A, project is complete.

- 5. Progress Photographs



