

## ABERDEEN CITY COUNCIL

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<b>COMMITTEE</b>	Communities Housing and Public Protection
<b>DATE</b>	26 August 2025
<b>EXEMPT</b>	No
<b>CONFIDENTIAL</b>	No
<b>REPORT TITLE</b>	RAAC Update
<b>REPORT NUMBER</b>	F&C/25/191
<b>DIRECTOR</b>	Eleanor Sheppard
<b>CHIEF OFFICER</b>	Stephen Booth/Jacqui McKenzie/Jonathan Belford
<b>REPORT AUTHOR</b>	Stephen Booth/Jacqui McKenzie/Jonathan Belford
<b>TERMS OF REFERENCE</b>	1.1.1

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### 1. PURPOSE OF REPORT

- 1.1 At Council on 21 August 2024, the Chief Officer - Corporate Landlord in consultation with the Chief Officer - Capital, Chief Officer - Housing and the Chief Officer - Finance, were instructed to assess the 'building new homes' option.
- 1.2 At the Communities, Housing and Public Protection Committee meeting of 27 May 2025 ([F&C/25/124](#)), the Council noted the feasibility, benefits and risks associated with each alternative option for RAAC-affected properties in Balnagask. The Committee instructed officers to write to all homeowners to advise them of the alternative options presented, and ask homeowners, having considered the information, to formally identify by the end of June 2025 which option they would be willing to consider.
- 1.3 This report provides an update on progress in this regard, as instructed by this Committee.

### 2. RECOMMENDATION(S)

That the Committee:

- 2.1 Recognise that this continues to be a difficult situation for homeowners and welcome the continued offer of mental health support from SAMH (Scottish Action for Mental Health) for those affected by this situation;
- 2.2 Note the outcome of the engagement with homeowners in June 2025;
- 2.3 Note the next steps in relation to the Property Swap option;
- 2.4 Instruct the Chief Officer - Corporate Landlord to withdraw Option 3 (roof on – roof off) given that no responding party was interested in this option;

- 2.5 Instruct the Chief Officer – Corporate Landlord to continue to engage with homeowners in relation to Voluntary Acquisition and to review this and report back to this Committee in early 2026 on whether this option should remain open into future financial years;
- 2.6 Note that the demolition plans for Council-owned blocks have been suspended whilst engagement was undertaken with homeowners and instruct the Chief Officer – Capital to recommence the planning, preparation, engagement and mitigation works for this with immediate effect;
- 2.7 Note that engineering inspections of properties continue and that all properties inspected so far have been identified as having a high risk (as per the IStructE guidance); and note that the Council, as an enforcement authority, continues to monitor this professional advice and will continue to advise all homeowners of their responsibilities under the relevant legislation; and
- 2.8 Instruct the Chief Officer – Corporate Landlord to take forward master planning of the site, considering the scenario of a fully cleared site and any alternative scenarios.

### **3. CURRENT SITUATION**

#### **Homeowner Engagement**

- 3.1 Following the decision noted in paragraph 1.2 above, a letter was sent out by email and recorded delivery post to all affected private homeowners on 30 May 2025. The letter advised owners of the decision of Committee of 27 May 2025 and outlined the current and new options that the Council could progress to support homeowners within RAAC-affected properties along with identifying their responsibilities as property owners. (Appendix A)
- 3.2 The letter contained links to an online survey to gather feedback on each of the options from private owners. A dedicated Council officer was on hand at Greyhope Community Hub to support owners to populate the survey and assist with providing any feedback, as necessary. This known single point of contact arrangement has worked well, and the approach will be replicated moving forward.
- 3.3 The survey sought feedback from private owners in response to the options agreed by Committee;
  - Voluntary Acquisition
  - Owner organising/ undertaking their own work to make their property safe
  - Roof Replacement with Council support
  - Property Swap
- 3.4 Homeowners were asked to give feedback on their preferences by the end of June 2025 through the survey.
- 3.5 There were 25 responses to the survey. Owners initially responded as below\*;
 

• Voluntary Acquisition	14
• Owner undertaking own work	0
• House swap	10

- Roof replacement 1
- No interest in any of the options 2

*\*Since completion of the survey and subsequent engagement with officers, some homeowners have changed their preference.*

*\*\*Some owners expressed interest in more than one option.*

Given the poor response to this engagement with owners, a follow up letter was issued to owners in the middle of July. (Appendix B).

To date of the original 138 privately owned properties 28 have not engaged with the Council.

### **Voluntary acquisition**

- 3.6 The engagement survey identified a further interest in voluntary acquisition and, as part of this and previous engagement exercises, interest in the scheme is now as follows (13 August 2025): -

a. Owners who have requested a valuation of their property	76
b. Owners who have received a formal offer for their property	70
c. Cases where owners have asked for their interest to be put on hold (incl in a.)	3
d. Owners who have accepted an offer (incl in a.)	31
e. Owners who are still considering an offer (13 of these have enquired about property swap)	34
f. Owners who have formally rejected an offer	2
g. Offers which have concluded (incl in a.)	23

The Committee are reminded that the Voluntary acquisition offer from the Council includes the following Heads of Claim:

- Market Value of the property (as determined by the Valuation Office Agency)
- A Home loss payment at 10% of Market Value (for Homeowners)
- Professional fees (surveyor/ valuers' costs)
- Legal fees (for disposal and, where appropriate, onward purchase)
- Reasonable Disbursements (removal costs, early surrender costs on mortgage, adjustments to properties etc.) - in some instances, the Council has agreed a lump sum to meet all these costs.

There is no requirement on homeowners to provide a Home Report or meet the other costs that would normally be met when selling their house.

- 3.7 The Committee are advised that several owners are engaging with the Council to relocate to Council houses, as tenants.
- 3.8 As a result of levels of interest, it is proposed that voluntary acquisition remain open to all private owners until at least the end of January 2026.

### 3.9 **Owner undertaking own work**

No owners indicated a preference to undertake their own remedial works or confirmed that they were undertaking works to reduce the RAAC risk from high risk over the engagement period. However, since the engagement closed, we have been made aware that one private owner may be considering making an approach to the Council. Officers remain open to having further discussion on this option should a proposal come forward, taking in account the wider ownership within any particular terrace/ block of properties.

### 3.10 **Roof replacement**

In response to the survey, no-one individually, or as part of a wider collective group, came forward indicating a preference for the roof replacement option as approved by the Committee. As a result, it is proposed that roof replacement coordinated by the Council is removed as an option.

### 3.11 **Property swap**

There were 10 preferences towards the property swap option, some of which hadn't previously engaged.

3.12 To facilitate this a list of 26 properties, where the Council is minority owner, have been identified and removed temporarily from our Voids list to be made available.

3.13 The properties are at varying stages in the void process, with some ready to move into and others in need of some works to make them ready for occupation. As a result, valuations are likely to span a range of values, and this is thought to provide maximum flexibility for owners.

3.14 The supporting information for this will include:

- Home Report
- Property Owners Questionnaire
- Energy Performance Certificate (EPC)
- Safety checks
- Maintenance information
- Photographs etc.

This work is currently being undertaken and will be shared with interested owners during August 2025.

3.15 Following the viewing process, owners will have the opportunity to bid for properties they are interested in.

### 3.16 **Demolition, Landscaping, and Master Planning**

Works relating to demolition and master planning the site had been 'stepped down' to ensure that officers were aware of the extent of the site available for master planning. Taking this approach has avoided abortive costs. Following conclusion of the June homeowner engagement, and subsequent follow up letter regarding the Property Swap option, it is now considered prudent to recommence plans for the demolition of wholly Council owned terraces. Prior to any work commencing, further engagement sessions will be planned with all residents in the area to consider the concerns of residents around the demolition works and the proposed

mitigation that will be put in place. This will include further detail on matters such as:-

- Proposed hours of operation
- Noise suppression
- Dust suppression
- Site security
- Road and contractor access
- Landscaping options

3.17 Early engagement with developers/house builders on an informal basis has suggested that they would have only limited interest in becoming involved in any redevelopment at this time due to the lack of certainty around the extent of the cleared site, development viability concerns and timing uncertainty. As these issues are addressed there may be more interest.

3.18 As a result, it is proposed that master planning considers options for full site redevelopment on the assumption that owners wish to engage in voluntary acquisition but also master planning of the site in the event that some owners may wish to remain in their properties and undertake their own remediation works. In respect of development options, a Prior Information Notice (PIN) may be circulated to more formally engage with the market and assess interest in due course.

3.19 **SAMH, wellbeing support**

Our partner SAMH (Scottish Action for Mental Health) continues to be available to homeowners. SAMH has set up 'Hear for You' to specifically support individuals affected by RAAC and can be accessed online or face to face at their weekly Torry drop-ins. Hear for You is free to access and offers both psychological wellbeing and practical programmes of support through this exceptionally challenging time. Given the very low number of owners engaging with the service, a leaflet to promote the service was shared with homeowners in July.

3.20 **Future engagement with owners**

Homeowners will be formally advised of this Committee's decisions in relation to this report and again asked to confirm what actions they are undertaking to mitigate the health and safety concerns with their property. Legally, owners have a duty to act responsibly and mitigate the risks.

3.21 Officers will work with multi-agency partners to determine if the level of vulnerability of those who have not engaged is preventing positive engagement.

3.22 In addition, further detail is being developed to further clarify and reiterate what owners can and need to do to act responsibly and to further mitigate the risk with their property.

## 4. **FINANCIAL IMPLICATIONS**

4.1 On 5 March 2025, Council agreed a funding solution using the capital fund to enable the Voluntary Acquisition of properties impacted by RAAC. It is proposed that this funding solution be used to support delivery of the options detailed within

this report. This funding mechanism (designed to release up to £12.75m) was to help realise a cleared site for master planning.

- 4.2 If homeowners were to progress with a property swap, owners would sell their existing property to the Council based on the value and range of supporting costs identified in the Voluntary Acquisition model to be set against the value of the 'swap' property as determined by a Home Report, with a balancing payment being made by either party, depending on the individual circumstances. If homeowners were unable to meet this cost, the Council have previously agreed to provide a loan or equity share arrangement, if required to enable an owner to proceed with a swap. This would be an interest-bearing loan on similar lines to other lending arrangements provided by the Council e.g. missing shares under the Housing (Scotland) Act 2006. The interest rate would be variable, and length of loan may differ depending on individual circumstances, but would be unlikely to exceed 20 years.
- 4.3 At the time of writing, officers await feedback from the Scottish Government on Aberdeen City Council's request for additional funding to support RAAC costs.

## **5. LEGAL IMPLICATIONS**

- 5.1 There is no statutory duty on the Council to undertake or fund remedial works to privately owned properties affected by RAAC. These properties were acquired under the Housing (Scotland) Act 1987 through the Right to Buy scheme on a full repairing and insuring basis. Ongoing maintenance responsibilities, including structural integrity, remain with the individual private owners.
- 5.2 The Council may, where appropriate, exercise discretionary powers under section 20 of the Local Government in Scotland Act 2003, which permit action likely to promote or improve the wellbeing of the area or people within it. This can include limited financial or in-kind support to private individuals. However, these powers are not unrestricted and must be exercised within the Council's overall statutory competence, in a manner that is financially sustainable and consistent with the duty to achieve Best Value under section 1 of the 2003 Act. Support provided under section 20 must not displace the primary responsibility of private homeowners to maintain and make safe their own properties, and any financial assistance must be supported by enforceable legal agreements.

In addition, section 22 of the 2003 Act prohibits local authorities from borrowing to fund revenue expenditure. This means the Council cannot lawfully borrow to finance discretionary support under section 20, including payments to private homeowners. Any such support must be met from existing revenue or capital resources, and cannot be used to justify compensation above independently assessed market value or to underwrite the full cost of remediation for private homes.

While section 20 has been used to support targeted aspects of the RAAC response, it is not a mechanism for broad-based financial intervention. Statutory powers under the Building (Scotland) Act 2003 remain the primary legal basis for managing structural risk and ensuring compliance with safety requirements.

- 5.3 Following the outcome of the homeowner survey, the property swap option is considered legally viable where owner participation is secured and formalised through appropriate legal agreements. Where owner contributions are proposed, including loans or equity arrangements, these must be clearly documented and secured (e.g. by standard security). However, care must be taken where limited property value or title conditions may restrict enforceability or long-term recovery.
- 5.4 Disposal of any Council-owned property in connection with these options must comply with section 12 of the Housing (Scotland) Act 1987, including demonstrating that any disposal is for market value or otherwise delivers benefit to the Housing Revenue Account. This applies equally to any proposed excambion arrangement.
- 5.5 The Disposal of Land by Local Authorities (Scotland) Regulations 2010 permit below market value disposals only where the authority is satisfied that the disposal will promote or improve economic, social, or environmental wellbeing. Any such disposal must be supported by an independent valuation and subject to appropriate governance oversight and Scottish Minister consent (where necessary).
- 5.6 Proposals that rely solely on Council funding to remediate privately owned homes, without reciprocal title transfer or contribution, are not considered legally viable and may conflict with Best Value obligations. Any delivery model must preserve appropriate Council control, financial accountability, and statutory compliance. The Council must ensure consistency and fairness in its approach, particularly where homeowners decline reasonable offers, or delay or do not undertake works necessary to ensure properties are structurally sound, safe, and habitable.

#### **Advancing health and safety risk**

- 5.7 Where owners decline or delay engagement, or where structural conditions deteriorate and pose a continuing or advancing health and safety risk, the Council may consider enforcement action. Sections 29 and 30 of the Building (Scotland) Act 2003 require local authorities to act if a building is judged dangerous. Once a building is deemed dangerous, a 'Dangerous Buildings Notice' must be served to the owner, specifying required safety work. If immediate danger exists, the Council should first remove it at the owner's expense, then issue the notice if risk persists. If the Balnagask estate homes are declared dangerous due to RAAC roofs, sections 29 and 30 would apply. The Council should support such decisions with objective evidence, such as surveys or inspection reports.

## **6. ENVIRONMENTAL IMPLICATIONS**

- 6.1 In general terms, options that retain properties and avoid demolition costs will have some environmental benefit in terms of the impact on use of resources and embedded carbon. This should be weighed against houses continuing in use which are powered by fossil fuels and which do not conform to current environmental standards. The house swap option will be positive in environmental terms as far as it will bring properties into economic use quicker with associated environmental benefit.

## 7. RISK

- 7.1 Previous committee reports have addressed the wider risks around RAAC in residential properties including the risk of panel failure within individual properties. Programmes of monitoring and inspection continue within occupied Council-owned properties.
- 7.2 Taking account of the above, the assessment of risk contained within the table below is consistent with the Council's Risk Appetite Statement.

Category	Risks	Primary Controls/Control Actions to achieve Target Risk Level	*Target Risk	*Does Target Risk v Appetite
<b>Strategic Risk</b>	<p>Ability to manage Health and Safety Risk in private Homes</p> <p>Failure of a RAAC panel.</p>	<p>Continue to share information on the health and safety risk presented by the RAAC panels.</p> <p>Clarify what enforcement action will entail should Building Standards determine that they require to take action.</p> <p>Continue to carry out further surveys to manage risk. Current findings have found that the Council-owned void and Council-owned occupied properties surveyed will require remedial action. To mitigate the risk of failure in occupied properties, affected tenants are being rehomed.</p> <p>Communication with all stakeholders and sharing of relevant reports.</p> <p>Updating of the FAQs on website.</p>	<i>M</i>	Yes
<b>Compliance</b>	Council risk as regulatory authority	ACC has powers under the Building (Scotland) Act 2003 where there is the potential enforcement about a dangerous and defective building - ACC are acting responsibly following independent	<i>M</i>	Yes



	Legal process and housing regulator	<p>structural engineering advice and are rehoming tenants.</p> <p>ACC have written to private owners reminding them of their responsibility and shared structural reports.</p> <p>ACC have published FAQs on website.</p> <p>Legal advice is being taken at all parts of the process. Officers are in contact with the Scottish Housing Regulator on all options available.</p> <p>The Legal Implications section of the report identifies the implications associated with the report and the various powers open to the Council.</p>	<i>L</i>	Yes
<b>Operational</b>	Ongoing management of RAAC in private homes and potential deterioration of panels.	RAAC remains a health and safety issue in private homes. If conditions were to deteriorate there may be a requirement to respond to this urgently at an operational level.	<i>M</i>	Yes
	Delivery of Options – internal capacity / skills and knowledge	Review of capacity required following Council decisions/initial engagement with owners to ensure that an appropriately skilled team are in place to help manage the delivery of new options presented to owners some of which add a significant degree of complexity.	<i>M</i>	Yes
	Maintaining business as usual.	Managing the RAAC process has and will continue to take significant resource within the Council teams, particularly at senior levels. This is likely to have an impact on wider business priorities and objectives.	<i>M</i>	Yes
<b>Financial</b>	The current financial burden to mitigate the RAAC impact is	Work with housing, legal, finance and external advisor teams to understand and address	<i>M</i>	No

	<p>still developing and will continue to be quantified.</p> <p>Opportunity cost of spend elsewhere (other savings will require to be made to meet costs)</p> <p>Risk around non-payment of loan repayments / shared equity and future recovery.</p>	<p>the RAAC impacts and inform the Options.</p> <p>Continue to seek external funding opportunities</p> <p>As new information comes forward Members will be advised for any decision-making if required.</p> <p>Further detail requires to be developed around protecting the Council's interests, albeit it is envisaged that security would be required against properties in most circumstances.</p>	<p><i>H</i></p> <p><i>M</i></p>	<p><i>No</i></p> <p><i>Yes</i></p>
<b>Reputational</b>	<p>Communication on responsibilities of owners/ market value and requirement to address issue</p> <p>Clear communication on what is being offered</p> <p>Criticism around cutting Council services and supporting private homeowners</p>	<p>Develop clear and concise information for owners on the options available to support them and on their responsibilities as homeowners.</p> <p>Continue to balance the needs and wants of those living in Balnagask with the wider population needs to ensure that the risk to the wider population is mitigated as far as possible.</p> <p>Implement clear communication and engagement plan and address impact within all reports.</p>	<p><i>M</i></p> <p><i>L</i></p> <p><i>M</i></p>	<p><i>Yes</i></p> <p><i>Yes</i></p> <p><i>Yes</i></p>
<b>Environment / Climate</b>	<p>Inefficient use of resources with subsequent environmental impact.</p>	<p>All options will have a differing environmental impact which will require to be considered in delivery options.</p>	<p><i>L</i></p>	<p><i>Yes</i></p>

## 8. OUTCOMES

- 8.1 The Option Appraisal considers how each option relates to social and economic outputs and this forms part of the appraisal.

Council Delivery Plan 2025	
	<b>Impact of Report</b>
<b>Aberdeen City Council Policy Statement</b>  <b><u>Working in Partnership for Aberdeen</u></b>	<p>The issues arising with the occurrence of RAAC in our housing stock requires us to work collaboratively across clusters to ensure the housing stock is safe and meets the varying needs of our citizens. The goal is to ensure that our current housing stock is fit for the future and brought up to the highest standards where possible.</p>
<b>Local Outcome Improvement Plan</b>	
Prosperous Economy Stretch Outcomes	The actions from this report will help mitigate the immediate impact on affected owners.
Prosperous People Stretch Outcomes	Taking early intervention action as outlined within this report will help mitigate any negative impact on people's physical and mental wellbeing.
Prosperous Place Stretch Outcomes	This report makes recommendations on the viability of the affected housing stock along with any wider implications this may have on the place.
<b>Regional and City Strategies</b>	<p>This report has collated information from various workstreams including stakeholder engagement sessions to inform recommendations to mitigate the occurrence of RAAC in Council housing stock at Balnagask. Future reports and actions will take account of the Regional and City Strategies to formulate any further recommendations.</p>

## 9. IMPACT ASSESSMENTS

Assessment	Outcome
<b>Integrated Impact Assessment</b>	Previous Integrated Impact Assessment relating to the options considered in this report has been reviewed and no changes required
<b>Data Protection Impact Assessment</b>	Not Required
<b>Other</b>	

## 10. BACKGROUND PAPERS

10.1 None

## 11. APPENDICES

Appendix A - Letter to owners

Appendix B - Follow up letter to owners

## 12. REPORT AUTHOR CONTACT DETAILS

<b>Name</b>	Stephen Booth
<b>Title</b>	Chief Officer – Corporate Landlord
<b>Email Address</b>	<u><a href="mailto:StBooth@aberdeencity.gov.uk">StBooth@aberdeencity.gov.uk</a></u>

<b>Name</b>	Jacqui McKenzie
<b>Title</b>	Chief Officer - Housing
<b>Email Address</b>	<u><a href="mailto:jacmckenzie@aberdeencity.gov.uk">jacmckenzie@aberdeencity.gov.uk</a></u>