

ABERDEEN CITY COUNCIL

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COMMITTEE Finance and Resources

DATE 15 March 2012

DIRECTOR Pete Leonard

TITLE OF REPORT Housing and Related Consultancy Services

REPORT NUMBER: H&E/12/021

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1. PURPOSE OF REPORT

The purpose of this report is to seek approval for the Director of Housing and Environment to tender for the appointment of a consultant to provide the range of services outlined in this report.

This report is coming before the Finance and Resources committee as a decision on the recommendations is required before the next available Housing and Environment committee on 22 May 2012.

2. RECOMMENDATION(S)

It is recommended that the committee approve the recommendation to tender for the four year consultancy service detailed within this report

3. FINANCIAL IMPLICATIONS

The Housing Revenue Account 2012/13-2014/15 budget papers approved by Council on 9 February 2012 contained a proposed budget of £55,000 each year over the period of the budget for General Consultancy Services.

It is anticipated that there should be sufficient funding within this budget heading to cover the first three years of the proposed Consultancy Service contract. Funding for the final year of the contract will be built in to the 2015/16 financial year as and when this requires to be considered for approval by Council.

4. OTHER IMPLICATIONS

The Housing Investment and Regeneration Service has recently completed a revision of the Council's 30 year HRA Business Plan to ensure its fundability going forward. This identified certain streams of work such as rent restructuring, specialist multi storey asset management planning, and repairs budgeting which the Service is progressing with currently. It also identified the training needs for staff in business plan modeling

The capacity to deliver these work streams essential to the continual success of the 30 year plan is enhanced by the Service's capacity to call upon consultancy services if required as appointed through the agreed procurement route of the Council.

## 5. BACKGROUND/MAIN ISSUES

The Director of Housing and Environment requires the assistance of an external consultant for a four year period, commencing in 2012, to deliver the Council's strategies and business plans for its housing needs and other related services. It is anticipated that the successful Consultancy will be required to ensure the Council delivers on its targets whilst working to an agreed Housing Business Plan which is financed principally through the Housing Revenue Account (HRA),

The extent of the proposed consultancy service to be tendered for is:

### **To provide Housing Strategy consultancy services for Aberdeen City Council**

These include providing services modelling of the current 30 year Housing Revenue Account (HRA) business plan, developing strategies and policies to deliver the 30 year business plan, and providing annual reporting mechanisms to monitor the business plan. Examples of this may include helping the Council deliver Local Housing Strategies (LHS), and Sheltered Housing Strategies

### **To provide Housing Development consultancy services for Aberdeen City Council**

These include providing services modelling of affordable housing opportunities, including exploring funding and delivery models, and development vehicles. Examples of this may include helping the Council deliver social and affordable Council Housing opportunities, Housing Association opportunities, shared equity, mid market rent or other affordable housing opportunities

### **To provide Housing Asset Management consultancy services for Aberdeen City Council**

These include providing an Asset Management plan for all Council housing stock determined by type. It will also include delivering an Asset Management plan for all 59 No. multi storey housing blocks.

### **To provide Housing Financial consultancy services for Aberdeen City Council**

These include providing financial modelling, business plan reviews, assessment of financial systems, and other related financial services as determined for Housing related matters for the Council. Examples of this may

include delivering regular training and business plan modelling sessions for staff of the Housing services of the Council.

### **To provide Building Services and Construction consultancy services for Aberdeen City Council**

These include providing the financial profiling of the repairs and development businesses within the Housing service of the Council as related to the Housing Revenue Account Business Plan, asset management, strategic management and other such related disciplines for these businesses.

It is therefore proposed that the committee approve the recommendation to tender for the consultancy services detailed above.

#### **6. IMPACT**

The tendered contract will operate within the Council's overall financial constraints taking into account recommended accounting practice and policies. This will be delivered specifically to meet the requirements of the Single Outcome Agreement which indicates that there is a need to enhance the quality of housing and environment for individuals and the community. Furthermore within the Council's Vibrant Dynamic and Forward Looking policy document there is a commitment to increase the speed of the modernisation programme and adherence to the Scottish Housing Quality Standard. The capacity to use a Consultancy Service if required to ensure the HRA 30 year plan delivers on these standards is critical to the Service moving forward.

#### **7. BACKGROUND PAPERS**

Report on the Draft Housing Revenue and Housing Capital Budget 2012/13 to 2014/15 submitted to the Council Budget Meeting of 9 February 2012

#### **8. REPORT AUTHOR DETAILS**

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