

ABERDEEN CITY COUNCIL

COMMITTEE	Audit Risk and Scrutiny Committee
DATE	19 February 2026
EXEMPT	No
CONFIDENTIAL	No
REPORT TITLE	Report AC2518 – Corporate Landlord Responsibilities – Follow up Report
REPORT NUMBER	F&C/26/034
EXECUTIVE DIRECTOR	Family and Communities
CHIEF OFFICER	Corporate Landlord
REPORT AUTHOR	Scott Mathieson
TERMS OF REFERENCE	2.2

1. PURPOSE OF REPORT

- 1.1 On 28 July 2025 Report IA/AC2518 – Internal Audit Report – Corporate Landlord responsibilities was presented to committee. This report provides the committee with an update on progress made against the recommendations and comments on the extent to which the recommendations relate to budgetary considerations or to the need for updated procedures.

2. RECOMMENDATION(S)

That the Committee

- 2.1 Note the content of the report, progress made to date and actions still outstanding.

3. CURRENT SITUATION

- 3.1 On the 28th July a report was received by the Committee in relation to Corporate Landlord responsibilities [link to report](#).

The Committee resolved:-

- (i) to note that the Chief Officer – Corporate Landlord would provide information to Members outwith the meeting on the number of staff in the Corporate Landlord cluster and the current level of vacancies in each area;*
- (ii) to note that the Chief Officer – Corporate Landlord would provide a report to Committee in two cycles detailing the progress on the audit recommendations, including detail on which matters were related to available budget and which were in relation to the updating and reviewing of procedures; and*
- (iii) to otherwise note the report.*

- 3.2 As requested by committee, a Service update has been circulated which identified key current vacancies in the Corporate Landlord structures.

Review of properties which formed part of audit.

- 3.3 Following the presentation of the Audit report, a deep dive into the individual cases identified during the audit process was undertaken.
- 3.4 Of the 13 properties randomly selected by Internal Audit, the following was determined.
- 1 property closed in 2023 and this information should have been shared with the audit team.
 - 2 properties were under refurbishment during 2024/25 causing certification gaps due to challenges with access and temporarily ceasing maintenance. It is unclear if this information was shared with the audit team.
 - 1 property was still under contractor retention period, so checks weren't yet required. This information should have been shared with the audit team.
 - Some of the issues identified by Internal Audit related to system challenges (documentation was held across ACC property files and in specialist contractor portals), leading to documents not being provided to the audit team timeously.
 - The underperformance of one specialist contractor played a part in certification shortfall, however, addressing performance was in progress with one contractor being removed from contractual delivery. In this case, although the work orders were issued, certification documentation had not been issued timeously.
- 3.5 The remainder of this report presents an update on progress made, with reference made to any vulnerabilities identified being impacted by available budget. Although the recommendations are listed separately, there are interdependencies across recommendations, leading to slight delays in some of the recommendations being actioned.

Recommended actions from Internal Audit and Progress

- 3.6 **Recommended Action on Written Procedures:** *The Service should review and update its set of procedures to ensure the practical application of all corporate landlord requirements are clearly explained. Procedures should be scheduled for periodic review.*
- 3.7 The service agreed with this recommendation and set a time for completion of December 2025. It is accepted that undertaking some further analysis as outlined at para 3.4 led to slight delay in the completion of this recommendation, however, the insight gleaned will undoubtedly strengthen our amended procedures.
- 3.8 Documented procedures are in the process of either being developed or reviewed. To date procedures have been updated for the key 6 statutory maintenance contracts (Gas/ electric/ firefighting/ fixed wiring/ legionella and emergency lighting). They are in a shared file and are being shared with key personnel. This will be fully completed by the end of the financial year.

3.9 **Recommended Action on Contracts:**

- *The Service should ensure appropriately detailed call off contracts are in place for planned expenditure in respect of all of its statutory maintenance requirements.*
- *The Service should ensure all call-off contracts are formally recorded on the contracts register system.*
- *The Service should ensure it has documentary evidence demonstrating contractors have appropriate certification in line with contract specifications.*

3.10 The service agreed with this recommendation and set a time for completion of April 2026.

3.11 At the time the report was presented to Committee, Members were advised that compliant frameworks were being used and that a review group had been established to look at future procurement exercises and an improved means of recording the call off of individual contracts.

3.12 This work has progressed and current contract arrangements are being reviewed in preparation for a tender process as current framework come to an end. Due to the significant number of call off arrangements annually, a process has been developed to add call off contracts to Amelior on a scheduled basis by bulk upload, the Building Services team have been provided with a template to be maintained and sent to Commercial & Procurement quarterly for upload to the system.

3.13 This action is complete.

3.14 **Recommended Action on Contractor Performance**

- *The Service should review how KPI's are set and managed to ensure these provide assurance statutory timescales are being met.*
- *The Service should ensure spend and performance is monitored on a regular basis at a contract level. Issues should be addressed or escalated as appropriate*

3.15 The service agreed with this recommendation and set a time for completion of December 2025.

3.16 Without a long-term solution in contract management systems, the service had agreed to implement further oversight of control to contract KPI's and performance.

3.17 Current contractor KPI's are produced and reviewed at monthly contractor compliance meetings. Any performance issues are identified, discussed and escalated as required. KPI's will be further developed and included in the new framework process to aid the process in the longer term.

3.18 The initial work on this is complete although further opportunities to improve exist as works are re-tendered during 2026/2027. A form of monthly update report across all contracts is in development between Corporate Landlord/ Building Services and will be launched from April 2026.

3.19 **Recommended Action on Planning and Scheduling**

- *The Service should ensure management has comprehensive assurance that statutory maintenance is taking place as scheduled, and that safety critical defects/risks are being addressed promptly.*
- *The Service should review the efficiency and effectiveness of operating multiple systems / processes for the same purpose and consider integration/automation where possible.*

3.20 The service agreed with this recommendation and set a time for completion of April 2026.

3.21 Compliance with statutory requirements are ensured by a combination of onsite visits during inspection and maintenance, technical/statutory review of contractor's performance, certification and billing review and attendance at monthly contractor compliance meetings.

3.22 A single accessible current document/certification repository is being developed, which will be incorporated into the Confirm Suite. Confirm is the system used for managing public buildings.

3.23 Good progress has been made in finding a method to manage documents by amending existing systems. This is now live but will take 12 months for all current certification to be in place (for annual inspection information).

3.24 **Recommended Action on Documentation**

The Service should develop and implement an appropriate quality assurance system to ensure documentation is being reviewed in sufficient detail to provide assurance corporate landlord responsibilities are being discharged effectively.

3.25 The service agreed with this recommendation and set a time for completion of December 2025. The Service agreed to introduce additional oversight in this area and consider the introduction of a Quality Improvement Framework. Initial meetings to explore how a Framework might integrate with a corporate approach have been held, this work will continue over the coming year.

3.26 A scheduled Confirm system upgrade took place on Friday 23 January 2026. The update is expected to enhance system functionality and provide additional configuration options to help fully meet the recommendation.

3.27 Following the upgrade, the Service is now exploring options to develop Confirm to allow external contractors to have controlled direct access, enabling fully digital submission of invoices, statutory compliance documentation, and certification. It is thought that this will allow robust and auditable compliance records.

4. **FINANCIAL IMPLICATIONS**

4.1 There are no immediate financial consideration from the issues raised in this report. However, implementation of some recommendations—particularly those related to systems development, staff training, and potential resourcing

adjustments—may have future budget implications, which will be fully assessed and reported,

- 4.2 Since the report there has been in in year increase in the repair and maintenance budget for public buildings, due to previous shared contingency elements with the council's budget being allocated to risk areas. This has increased the budget line from £3.3 million to around £4.8 million.
- 4.3 Balancing this budget remains challenging with an anticipated overspend in this area due to several factors out with individual officer's control. Only works of an essential health and safety nature, works required to make properties wind and watertight and compliant are being or have been progressed.
- 4.4 £1.5m was spent on cyclical statutory compliance in 2024/25.
- 4.5 Current resourcing will continue to be monitored to ensure staffing and statutory systems capacity aligns with statutory and operational requirements.

5. LEGAL IMPLICATIONS

- 5.1 Failure to properly discharge Corporate Landlord responsibilities may expose the Council to legal and regulatory risk under the following key legislation:

Health and Safety at Work etc. Act 1974
 Landlord and Tenant Act 1985
 Fire (Scotland) Act 2005
 Gas Safety Regs 1998
 Electricity at Work Regulations 1989
 The Lifts Regulations 2016
 COSHH 2002

- 5.2 Risks may include enforcement action, civil liability, or reputational harm should statutory duties not be met.

6. ENVIRONMENTAL IMPLICATIONS

- 6.1 there are no new environmental implications in relation to 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	None			
Compliance	Health and Safety risk is	As detailed in report	L	Yes

	checks aren't complete			
Operational	Buildings unable to operate due to failures	Measures as detailed in report	L	Yes
Financial	Increasing costs to manage estates	Measures as detailed in report	L	Yes
Reputational	Reputation management from building compliance and health and safety failure	Measures as detailed in the report	L	Yes
Environment / Climate	None			

8. OUTCOMES

- 8.1 There are no direct impacts, as a result of this report, in relation to the Council Delivery Plan, or the Local Outcome Improvement Plan Themes of Prosperous Economy, People or Place.
- 8.2 However, Internal Audit plays a key role in providing assurance over, and helping to improve, the Council's framework of governance, risk management and control. These arrangements, put in place by the Council, help ensure that the Council achieves its strategic objectives in a well-managed and controlled environment.

9. IMPACT ASSESSMENTS

Assessment	Outcome
Integrated Impact Assessment	<i>No assessment required. I confirm this has been discussed and agreed with Stephen Booth, Chief Officer Corporate Landlord on 21 Jan 2026.</i>
Data Protection Impact Assessment	Not required
Other	

10. BACKGROUND PAPERS

- 10.1 Report IA/AC2518 – Internal Audit Report – Corporate Landlord responsibilities

11. APPENDICES

12. REPORT AUTHOR CONTACT DETAILS

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