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9 April 2024

Thank you for your letter of 15 March regarding my appearance at Committee on Tuesday 16 April to give evidence on issues relating to building safety and maintenance. I look forward to discussing these matters with the Committee. In the meantime, I am writing to provide you with an update in relation to our engagement with Aberdeen City Council since they took the decision to re-home their tenants in properties affected by RAAC, and on our wider engagement with local authorities in relation to RAAC in the housing stock they own.

As the Committee will be aware, in August last year we set up a cross-sector working group and subsequently a housing sub-group to ensure that we have a clear picture of the extent of RAAC across all of our social housing stock in Scotland. This working group includes representatives from COSLA, the Association of Local Authority Chief Housing Officers (ALACHO), the Scottish Heads of Property Services (SHOPS) the Scottish Federation of Housing Associations (SFHA), as well as representatives from individual landlords who are impacted by RAAC in housing. This ensures that key local authority and housing stakeholders are included in the information sharing and discussion on this subject.

We have been engaging with Aberdeen City Council (ACC) through this working group since they first discovered that RAAC was present in their homes and whilst structural engineers undertook the appropriate investigations. Although we were not given prior notice that ACC planned to re-home their tenants in the affected properties, since the 29 February announcement my officials and I have met with ACC on a number of occasions to obtain assurance that the affected tenants and home-owners will be adequately supported. My officials and I receive regular updates from ACC officers on the progress of the re-homing programme.

I have also met with the Association of British Insurers (ABI) around the issue of insurance, as I know that this is an area of concern for many homeowners. We have been clear that we would expect responsible insurance companies to offer as much assistance as possible to affected residents. However, I also understand that the actual cover available will be dependent on the individual policies that homeowners have in place. In most instances, building insurance is designed to cover damage caused by defined perils such as storms or floods and would not cover building defects or maintenance issues that develop over time. However, the ABI has indicated that the majority of their members will not void insurance policies as a result of RAAC being identified and that households can expect to continue to

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be covered for the defined perils outlined in their policy. I am aware that the insurance policy of one affected homeowner, which had initially been cancelled, has now been reinstated following our conversations with ABI. I have also been assured that insurers will consider the renewal of cover for properties with RAAC, but these may be less commercially attractive as their construction could present a risk of more extensive damage from a named peril.

Homeowners are generally responsible for maintenance costs in their own homes and for their share of work on any common elements of a shared building. This will include any remediation work to repair unsafe RAAC. The affected buildings in Balnagask have not been assessed as posing a critical risk requiring immediate evacuation, therefore there are no plans at this stage to compel owners to leave their homes. Owners have been advised to take their own independent advice on the matter. However, Aberdeen City Council have also shared the results of their own detailed surveys to ensure that home-owners are suitably informed. They are also able to access the advice and support of housing officers, who have been made available to home-owners as well as tenants, to help understand their options.

Officials have also been in touch with UK Finance, to understand the support that homeowners can expect to receive from their mortgage lenders. They have informed us that any homeowners who are worried about their mortgage or making their payments as a result of RAAC issues should get in touch with their lender in the first instance. Lenders will support their customers according to their individual circumstances and will consider requests to product switch in line with the lenders' existing policies. Should a property be deemed unsafe and or be subject to a prohibition notice, then UK Finance have assured us that lenders would support their customers as appropriate.

The long-term options available to homeowners will be considered as part of the council's ongoing options appraisal for the site. This will consider the best approach to remove or remediate the high risk RAAC that has been identified. As part of this, the Scottish Government will continue to work closely with Aberdeen City Council to understand the costs involved. Ultimately, it will be for individual local authorities to determine what support is available to homeowners, taking into account local priorities.

Previously the Chancellor had committed to 'spend what is necessary' to deal with the issue of RAAC. However, no funding has been forthcoming, including in the recent budget. In addition, as the UK Government has failed to inflation-proof their capital budget, this has resulted in nearly a 10% real terms cut in our UK capital funding between 2023-24 and 2027-28. We will continue to call on this UK Government, and any future incoming UK Government, to commit to this funding as previously pledged.

I have asked Aberdeen City Council to keep me up to date with the progress of their options appraisal, which they expect to conclude by the summer, to ensure that we understand early what impact this will have on homeowners. We will also continue to engage with other local authorities who have identified the presence of RAAC, to ensure that any affected households receive the appropriate support.

I hope the above is helpful and I look forward to our session on 16 April.

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Yours sincerely,

**PAUL MCLENNAN**  
**Minister for Housing**

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