

PE2113/G: Provide support to RAAC-affected communities

Minister for Housing written submission, 16 December 2024

I refer to your correspondence of 20 November 2024 as Convenor of the Citizen Participation and Public Petitions Committee inviting further information on a number of issues in respect of Petition 2113 urging the Scottish Government to provide support to communities affected by Reinforced Autoclaved Aerated Concrete (RAAC).

I note the Committee has specifically requested comment in respect of three issues:

- 1) concern that local authority Scheme of Assistance Strategies only offer homeowners advice and guidance, rather than making provisions for financial support where repairs are required
- 2) an update on discussions with the UK Government on funding for RAAC remediation and management, including whether the Scottish Government will use funding resulting from the recent UK Budget to address this issue, and
- 3) further information on the planned review of the Home Report and the anticipated timetable for this.

To take each of these points in turn.

Local Authority Scheme of Assistance

The Scottish Government's policy towards local authorities' spending is to allow local authorities the financial freedom to operate independently. As such, the vast majority of funding is provided by means of a block grant. It is then the responsibility of individual local authorities to manage their own budgets and to allocate the total financial resources available to them, on the basis of local needs and priorities, having first fulfilled their statutory obligations and the jointly agreed set of national and local priorities.

The 2024-25 settlement distributed £28.668 million of capital, and £26.934 million in revenue with an additional £4.493 million for administration. Local authorities are able to use revenue funding for capital purposes but cannot use capital funding for revenue purposes.

Engagement with the UK Government on funding

In respect of engagement with the UK Government, the Scottish Government has consistently called on the UK Government for support in addressing the issue of RAAC, including through making available new capital funds to allow any action that may be required.

The previous Chancellor promised to 'spend what it takes' to deal with RAAC. More recently, ahead of the current UK Government's budget, I wrote to the Chancellor

urging her to set up a dedicated fund which would support the costs of investigation, remediation and any potential rebuilding – with such a fund having consequential impacts on Scottish Government funding. No specific fund was announced.

In the submission to the Committee dated 1 November, the petitioner notes the budget allocation of £3.4bn by the UK Treasury to the Scottish Government and proposes that a portion of this be directed towards addressing the critical needs of homeowners affected by RAAC.

While welcoming the increase in funding, it is important to note the continued and unprecedented challenges to public finances. The Scottish Government has made it clear that the extent of the challenges will not be addressed in a single year. Moreover, once the Scottish Budget process is complete, it will be a matter for individual public authorities, including Health Boards and Local Authorities, to agree their own spending priorities in using their budget allocations, including any amounts to be directed towards building and estate management.

RAAC is a building maintenance issue and, as such, its management is the responsibility of the building owner (as with any other such matter), whether a school, hospital, social housing, or private home.

It is also worth noting that RAAC is not regarded as a defective material. However, as with any building material, it should be appropriately maintained with regular monitoring for issues such as water ingress – with liability for this resting with the building owner, including any responsible public authority. Considerable guidance and advice on RAAC is available from organisations such as the Institution of Structural Engineers.

Notwithstanding the above and the lack of support to date from the UK Government specific to RAAC funding for homes, I will continue to engage with UK Government Ministers on this issue.

Review of the Home Report

The Review of the Home Report commenced in November 2024. A working group of key industry experts has been tasked with assessing the current Home Report and prescribed documents, to understand what is working well and which aspects of the Home Report need to be amended. This will include consideration of the role of the Home Report in ensuring prospective buyers have sufficient evidence about the condition of the home they are planning to buy. We anticipate the group will make recommendations to Scottish Ministers for any changes required by autumn 2025. Legislation will be required to take forward any changes to the Home Report prescribed documents and would require to be consulted on.

I hope the Committee finds this further information helpful.

Yours sincerely

PAUL MCLENNAN