

An aerial photograph of Glasgow, Scotland, taken at sunset. The city's skyline is visible, including the Glasgow Necropolis and the Glasgow Cathedral. The title 'SPF VOICE' is overlaid in large white letters, with a white crescent moon graphic behind the word 'VOICE'.

SPF VOICE

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Michaela Sullivan MRTPI
SPF Chair

We ended 2020 with the hope that as vaccines start to be rolled out, we may begin to move towards normal operations for our members' businesses. Whilst the picture remains challenging, that potential remains, as the SPF team wishes you a happy and successful new year.

We welcome the fact that the current restrictions allow construction sites to operate, which is credit to the considerable efforts made to ensure safe working practices. Construction makes a significant contribution to the Scottish economy and its social fabric, through the delivery of the workplaces and homes essential to staging a successful national recovery. We trust that any future proposals for change that may be considered necessary are accompanied by demonstrable scientific evidence and would urge the government to continue an effective dialogue with our industry.

As we look forward to the year ahead, the core issues that we have been considering will remain at the forefront of our agenda, most importantly delivering sustainable and inclusive economic growth. We are ready to participate

in the formulation of new initiatives such as the proposed Construction Accord between the public and private sectors, and to engage with political representatives of all parties on issues affecting the industry as they prepare their manifesto policy proposals for the forthcoming Scottish elections. Collectively, we have a wealth of knowledge and can make effective contributions to assist in ensuring that policy commitments can be implemented effectively to produce the desired effects for the Scottish economy.

A large percentage of you have now renewed your memberships for 2021 and on behalf of the team, I express our gratitude for your continued support in challenging times. We look forward to seeing many of you at our online events this year, and in the meantime, I invite you to get in touch with us if you have any matters you wish to discuss.

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POLICY INSIGHTS

SFT CONSIDERS TOWN CENTRE REGENERATION

The Scottish Futures Trust (SFT) has long since moved beyond its initial role of overhauling PFI arrangements for public-private initiatives and has recently worked with many members in the areas of encouraging PRS investment and infrastructure delivery. SFT has now commissioned research from Montagu Evans to take a property-oriented view of the long running challenge of town centre renewal - an issue our Chair Michaela Sullivan has pinpointed as a key topic for the SPF in 2021. This latest development comes on the back of a review launched by Communities Secretary Aileen Campbell and led by Professor Leigh Sparks of Stirling University on the success of the Town Centre Action Plan. Ms Campbell may be stepping down at the forthcoming Scottish Parliament elections in May, but there is little doubt that the long-term issues associated with town centre renewal will be a priority for Ministers for years to come.

SCOTTISH CONSTRUCTION ACCORD

Just before Christmas, Construction Scotland Chair Ken Gillespie contacted us to discuss our support for a Scottish Construction Accord, which Construction Scotland has been developing for some time. The accord seeks to identify better ways of working and advance the sector's efforts to become a more progressive employer. Local Government, Housing and Planning Minister Kevin Stewart has asked Ken and Peter Reekie, CEO at the SFT, to take forward a Scottish Construction Accord, seeking the support of the wider construction sector including ourselves and Homes for Scotland. We are working to identify a group of members interested in the construction sector to help us contribute to the development of the Accord and to highlight any further outstanding issues in the sector relevant to members.

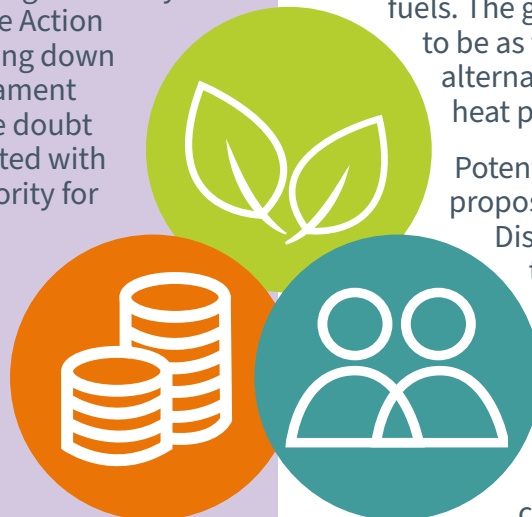
HEATING NEW-BUILD HOMES SET FOR RADICAL CHANGE

The Scottish Government has given us a glimpse of the radical changes it is proposing for the way new-build homes - consented from 2024 - will be permitted to be heated. The initial policy proposals are currently subject to a scoping consultation, which in turn will be used to inform a technical consultation later this year.

Some of the most notable changes suggested by the Scottish Government include that heat sources that produce carbon emissions within the boundaries of a new home will be prohibited, effectively banning the use of gas boilers and other heat sources that rely on burning fossil fuels. The government has said that it intends to be as flexible as possible about the alternatives such as district heat networks, heat pumps or other electric heating.

Potentially more controversial is the proposal that new homes built within District Heat Zones will be required to be designed and constructed in a way that they can connect to a district heat network. It's easy to see how this could be problematic given just how new the district heat market is in Scotland and the relatively limited case studies there are of connecting new developments to wider heat networks on a large scale.

The consultation also alludes to the preparatory work that needs to take place in advance of 2024, such as ensuring electricity networks can handle the increased load and educating a population used to gas-fired central heating. One important omission from the current proposals is the non-domestic sector. Given the breadth of building types and uses, heat regulations for the non-domestic sector are likely to be phased in with proposals expected to be published by the end of this year.



REGIONAL SPOTLIGHT



Aberdeen

Titan Investors' refurbished Aberdeen One logistics park has opened the year with a successful pre-let to FedEx. Located to the south of the city with the A90 a 2-minute drive away, the site is also located close to the Nigg Yard Harbour development. Practical completion is understood to be in July 2021, with further opportunities for new development attached to the site.

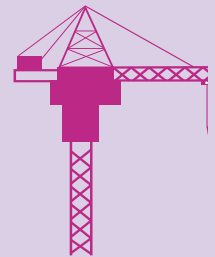
Edinburgh

Earlier this month, Edinburgh Council CEO Andrew Kerr convened a meeting of industry bodies, including the SPF, to present research on the investment needed to achieve zero-carbon policies by 2030. The city has identified over £4bn of investment as required to meet the 2030 challenge and is looking to work with industry stakeholders to consider practical approaches to this objective.

Glasgow

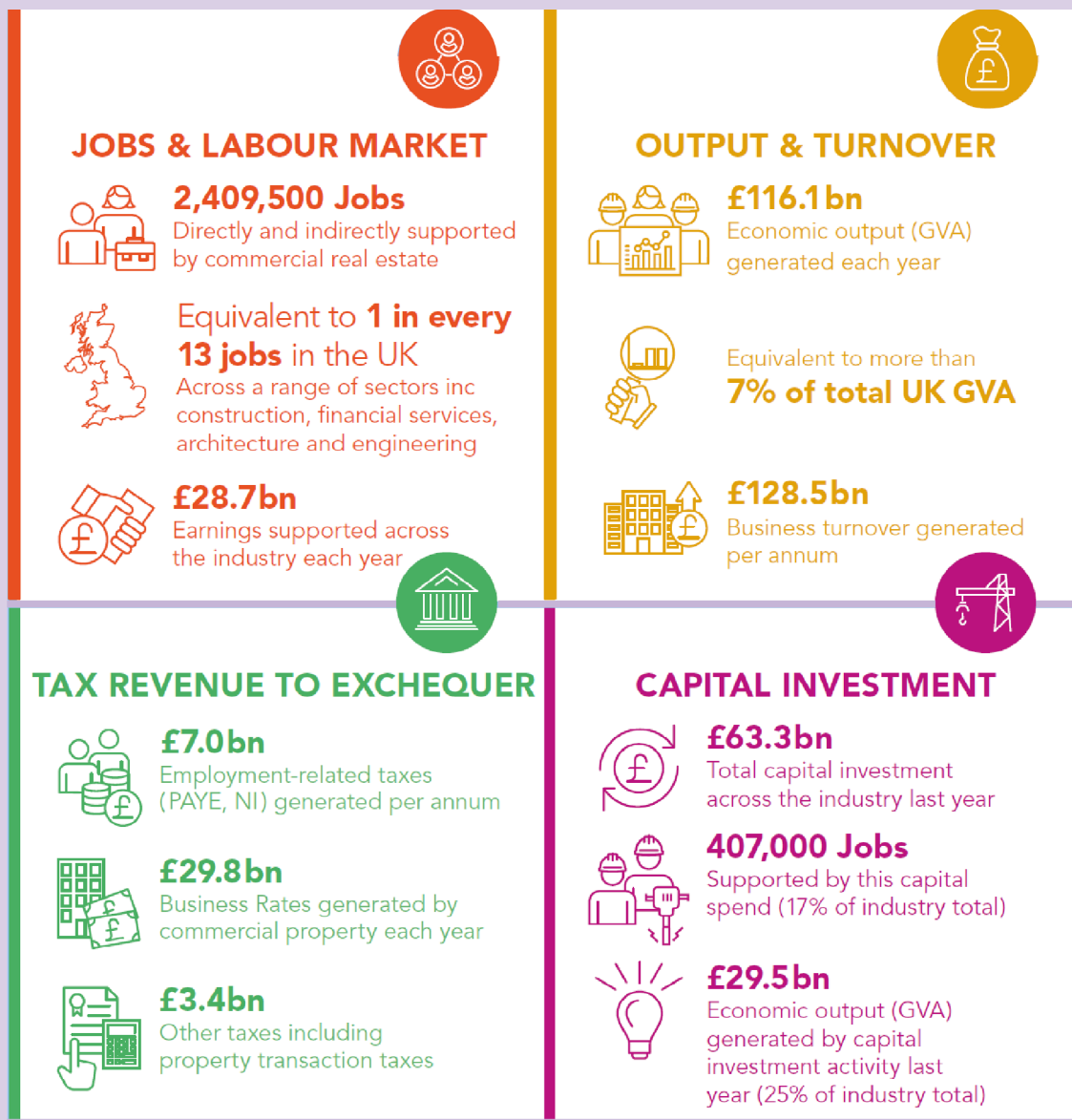
Last month, Economy Secretary Fiona Hyslop announced £11m of funding for projects along the Clyde to support regeneration and economic recovery from the pandemic. This is known as the Clyde Mission and involves all local authorities along the Clyde waterfront from the East of Glasgow to the river mouth. The projects include regeneration, cultural and infrastructure related works with more information to be found [here](#).

RESEARCH



UK COMMERCIAL REAL ESTATE THE INDUSTRY'S ECONOMIC CONTRIBUTION

The commercial real estate industry sits at the very heart of the UK economy. It provides the space in which economic activity and innovation happen, generates a substantial number of jobs, and supports public services through the payment of taxes. To capture and quantify this contribution, we commissioned planning and development consultancy Lichfields to analyse the economic footprint of the industry. You can read the full report [here](#).





Deconflicting the planning system

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No one would argue against a desire to encourage a collaborative approach and deconflict the planning system. Indeed, this is a line that the SPF took throughout the passage of the Planning (Scotland) Act 2019 (the 2019 Act). This was alongside encouraging upfront collaborative working and constructive early engagement, rather than the prospect of polarising opinion, with decisions made by ministers (not local communities) months or even years later.

We are keen to move away from adversarial planning disputes and agree that the strengthening of the Local Development Plan, and the introduction of Local Place Plans should assist communities in ensuring that their points of view are properly considered early in the process. These measures will hopefully go a long way to improving public trust in the planning system, and what gets built and where.

In a move towards greater collaboration, provision was made in the 2019 Act for the promotion and use of mediation, with the onus on Scottish Ministers to issue guidance within two years. A consultation on proposals is now open until 3 March 2021. The SPF contributed to the early debate supporting collaborative forms of planning, especially in relation to the development plan process. We continue to be of the view that mediation should be used as early in the planning process as possible.

The provision is quite wide ranging, and the guidance to be issued by Scottish Ministers may include guidance relating to the preparation of LDPs and Evidence Reports; pre-application consultation with local communities; assisting determination of planning applications; and any other matter considered appropriate. The 2019 Act is also clear that 'mediation' includes any means of exploring, resolving, or reducing disagreement between persons involving an impartial person. However, it is critical to the process that the introduction of mediation should not be interpreted as an intervention in a 'dispute' to resolve it, or arbitration.

To make mediation work effectively, clear guidance on the process in the planning system will be key, including adequate controls particularly around timing. It will need to be clear that people who have made representations should only be permitted one shot at it, to avoid unacceptable delays. What absolutely should not happen is entry into mediation at the local development plan stage and again at application stage, unless there is a demonstrable deviation from the plan.

The guidance also needs to be clear that it should not be possible to enter into mediation on a specific project on the grounds of environmental impact, for example, and then separately undergo the process to examine the impact on infrastructure, schools etc.

A major concern in the early debate was that mediation may include assisting determination of planning applications. It is a fundamental tenet of the planning system that the determination of planning applications should be for democratically elected planning committees to consider, on the advice of officials and evidence put before them. Mediation is simply a process of addressing concerns and not an adjudication procedure itself. It should be made clear that mediation cannot and should not be legally binding in these circumstances.

