



SPF 2021 Snapshot

2021 in review



Kevin Robertson
SPF Chair

While the past few days have disrupted our road to recovery, we end 2021 in a significantly better place than in 2020.

This time last year, my predecessor Michaela Sullivan spoke of her optimism about the nascent vaccine programme. Now, just 12 months later, the vast majority of us have received the protection that they offer, which in turn allowed for some hospitality to return, shops to reopen their doors, students to flock back to our cities and hotels to welcome tourists once again.

This has allowed the Scottish economy to recover quicker than expected and enabled our largest city to host the historic event that was COP26. It is heartening to see that, despite the wider health crisis, climate change has continued to be at the top of the agenda. This has helped to shine a light on the journey that the built environment is on to decarbonise and reinforced the collective call to action on reaching net zero.

Challenges remain, however. Most notably around the unknown impact of the Omicron variant and its impacts on health and the wider economic picture. Additionally, there has yet to be a significant return to the use of offices, despite the stellar work of many in the industry to provide COVID-safe properties.

While working from home can have a place in response to spikes, we have shared members' deep frustration at the Scottish Government's blanket guidance (and now legislation) throughout the pandemic, which has failed to recognise the work done to mitigate COVID or the importance of office working to employee wellbeing, creativity and the vitality of our town and city centres. The response to the public health emergency is paramount - but we must begin to focus on the longer-term objective of learning to live with the virus in a way that is safe and economically sustainable.

As we look forward to 2022, the SPF team are preparing to hit the ground running with a number of key workstreams that will be coming to a head, not least the critical NPF4. Also expected next year are new, more challenging Building Standards on energy and heat, the Private Rented Sector Strategy and a wide-ranging review of the Scottish Government's resourcing framework. If you would like to be involved in any of these important issues, please contact the SPF team.

Before I sign off, I'd like to thank you, our members, for your support over the past year. Without it we could not have achieved all that we have done in 2021. I wish you and your families a very happy and healthy festive holiday and a prosperous New Year.

A handwritten signature in black ink, appearing to read 'Kevin Robertson', written in a cursive style.

Working for you



The Economy & COVID-19

- The long-standing guidance by the government to work from home where possible continued to drain our key urban centres of footfall and business for the very sectors the government was seeking to help with rates relief. We have underlined to government that this does negatively impact the city centre economies. Where the UK and Scottish governments have extended emergency coronavirus powers affecting landlord-tenant law, we have represented your concerns that there has not been a balanced approach to the issue of rental liabilities. It has been a case of guidance for tenants, and legislation on property owners and investors.
- We supported calls for continued support for the retail, hospitality and leisure sectors and in March this was listened to by the Scottish government, with ongoing 100% rates relief for these sectors (plus aviation) for the whole of the 2021-22 public finance year. The new Omicron variant has set back the economic recovery that was underway by Autumn and this has sadly seen tighter restrictions again placed on office-based employment, retail and hospitality.
- We argued strongly to continue support and to extend support to other business sectors. We expressed our disappointment therefore in the temporary three-month and capped relief for retail, hospitality and leisure businesses from April to July 2022.
- In September, the First Minister established a working group to consider how ventilation could be improved in commercial buildings to limit the potential spread of COVID-19. The SPF are represented on this group by TFT. An initial recommendation from the group has seen a fund established for SMEs to invest in measures to monitor and improve air flow.



A Fairer Business Rates System

- In September our chair, Kevin Robertson appeared before Scottish Parliament to attack the policy of empty property rates charges on members who often simply would not have an alternative tenant. We reflected members' evidence and experiences that, in addition to being punitive and unfair on property owners and investors, this negative tax charge detracts from capital that could reinvest in high street and town centre properties.
- The SPF was also one of a few voices making the case for extending support beyond just a limited number of sectors, noting that the pandemic has had a negative effect across most sectors. We fought a strong campaign against the retrospective tax measures taken by the government to deny ratepayers the legal right to challenge their rating liabilities based on a material change in circumstances. We are hugely grateful to Martin Clarkson of Gerald Eve for taking on these issues for the SPF in direct evidence to the Scottish Parliament in November.
- Our Business Rates Working Group continues to lead our engagement with the government on business rates reform, with major changes to the system of revaluation and the right to challenge rating liabilities culminating with a substantive submission to government in December. This work has been ongoing throughout 2021, and many thanks to members from Shepherd Commercial, Ryden, Gerald Eve, CBRE, JLL and Colliers for your support with our working group throughout the year.

Working for you



A Net-Zero Future

- The New Build Heat Standard is on the horizon for both residential and non-residential buildings following the Bute House Agreement between the Scottish Government and the Scottish Greens. These new standards are expected to mandate the use of zero carbon heat sources in all new buildings consented from 2024. Over the past 18 months we have been working with the Scottish Government to highlight issues that the industry is likely to encounter in meeting these regulations and seeking solutions through various dedicated government working groups and bilateral meetings.
- The long-awaited Heat in Buildings Strategy was published by the Scottish Government in the second half of this year, setting out the long-term trajectory for energy efficiency and heat policy. We successfully argued for the final strategy to have a greater focus on strengthening energy networks (particularly electricity) and for a greater use of the tax system to incentivise the retrofit of buildings to meet net-zero ambitions.
- Legislation that will set an energy efficiency standard for existing non-domestic buildings is currently being devised by the Scottish Government. Michael Laird Architects represent the SPF's wider membership on a government working group that has been reviewing current Section 63 regulations and will be making recommendations to Ministers in 2022 on suitable measures to assess energy efficiency. The new legislation is expected to come forward in 2025.
- With COP26 on 'home turf', we were delighted to be a delivery partner with the Build Better Now virtual built environment pavilion. The pavilion showcased exemplary projects and developments from across the world, including Scotland, on how we can create a more sustainable built environment.



Investment & Development

- Earlier this year, the Scottish Government published its Infrastructure Investment Plan alongside the Capital Spending Review. Following publication, we met with the government's Global Capital Investment Team to discuss the key themes and policies highlighted in our Scottish election Action Plan and agreed to work together to remove barriers to investment.
- We also met with Patrick Harvie MSP, Minister for Zero Carbon Housing, Active Travel & Tenants' Rights, to discuss the Government's Rented Sector Strategy and had a number of wider meetings with officials from the Scottish Government's Better Homes and More Homes Divisions.
- With NPF4 in the pipeline, this year we have had several bilateral meetings with Scottish Government planning officials and the Chief Planner to discuss the ongoing process. We also took the opportunity to raise a number of key issues including delays in the planning system and poorer performance during the pandemic.
- The long-awaited review of the PBSA sector in Scotland was launched following the May elections, with the SPF joining the review group in August. The review features PBSA operators, universities and student representatives and will initially oversee a wide-ranging research project on the student accommodation sector which will complete in 2022. Wider issues such as local taxation and PBSA are also due to be considered by the government.
- The Fair Rents (Scotland) Bill fell at the end of the last Parliamentary session, although the Scottish Government has committed to reform Rent Pressure Zones in this Parliamentary session. Kevin Stewart MSP, then Minister for Local Government, Housing and Planning, gave evidence to the Parliament's lead committee scrutinising the Fair Rents Bill, which very much aligned with our response to the Committee's call for evidence.



Communications

9% Increase in social media followers

60+ Exclusive updates & publications for SPF members

110+ Mentions in national & trade press



Events

40+ Events in the MySPF & MyBPF Digi Series, including sessions on the future of offices, COP26 & city centre recovery

3.5k+ Delegates joined us from throughout the UK

12.9k+ Views of our webinars on the BPF YouTube Channel

2022 Planned resumption to large-scale in-person SPF events including our revamped Annual Conference in May & our Annual Dinner in October



Working for you

80+ Meetings with national & local government officials

11 Regional meetings in partnership with local authorities including Aberdeen, Dundee, Edinburgh, Glasgow & Highland

2 Oral evidence sessions to MSPs in the Scottish Parliament

30 Consultation responses & formal representations on behalf of the industry

BPF Futures in Scotland

This Summer, we formally launched BPF Futures in Scotland, with the aim of growing the network that is already offering great events and opportunities South of the Border. Alongside this expansion, we also announced BPF Futures LAUNCHPAD, with give junior professionals access to our mentoring scheme and a greater chance to influence our work and speak directly to government.

To help BPF Futures solidify its place in Scotland a new Vice Chair position will be appointed in the New Year. The Vice Chair will exclusively represent Scottish young-in-career property professionals and help shape and deliver BPF Futures' agenda here.



BPF FUTURES
LAUNCHPAD

SPF Annual Conference

While we have been delighted to host a significant number of webinars and other online events over the past 2 years, we know that nothing can replace face-to-face meetings. In 2022, we are planning to host a renewed SPF Annual Conference on 31 May at the Edinburgh International Conference Centre. Please save the date – more information will follow in the New Year.

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