

INSIDE THIS ISSUE

Chair's Column Reimagining High Streets SPF Engagement Recap Bertha Park, Perth SPF Policy Bites SPF Annual Dinner 2023

FROM THE CHAIR



The need for certainty Maria Francké SPE Chair

Director Maria Francké Planning

The roll back of net zero targets by the Prime Minister has caught the headlines and alarmed many investors in renewable technologies, infrastructure and buildings. Similarly, the ongoing saga of HS2 confirms the challenges of infrastructure delivery in the UK. Political uncertainty is no stranger to the UK in recent years, whether on net zero targets, the 'mini-budget' or indeed the introduction of a rent freeze on the PRS in Scotland. But there is a cost of investor confidence in the UK, as we have seen all too clearly in Scotland with the rent control policy interventions and continued uncertainty.

I have had the chance in a number of forums this month to press government Ministers, local authority leaders and senior officials on the need for certainty and predictability to support investment. We do have a relatively new Planning Minister who has taken post just as NPF4 was implemented. Mr FitzPatrick welcomed our constructive criticism as well as positive remarks on examples of good leadership, and he is keen to meet us again. The point we made was that planning must be a platform that encourages and facilitates investment if we are to deliver new or improved offices, retail, logistics and leisure facilities to drive the economy, as well contribute to the supply of more homes across the country, especially in the rented sector.

We have a hugely complex and challenging planning system, and we need the help of the various agencies and authorities within the public sector to navigate this process. This was very much a theme of our recent dinner held in Dundee with the Housing Minister Paul McLennan, Council leader John Alexander and development Director Robin Presswood. Clearly the impact of uncertainty in relation to the upcoming Housing Bill and rent controls were a key concern raised at the event, but the Minister underlined he was keen to work with SPF and the wider industry, particularly to seek institutional investment for housing of all tenures.

"There is a cost of investor confidence in the UK, as we have seen all too clearly in Scotland with the rent control policy interventions and continued uncertainty."

Next month we hold our Tenth annual dinner and I am delighted with your huge support for this event. Baroness Ruth Davidson will be a superb speaker on the current affairs issue of the moment, while in Mark Allan we have the CEO of Landsec who are taking forward the major Buchanan Galleries project. I hope to meet as many of you possible on the evening.

Maria Larelii

SCOTTISH PROPERTY FEDERATION TEAM

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INDUSTRY INSIGHT



Reimagining high streets: A peak into East Kilbride masterplan

GINA COLLEY Architect - Associate Director Threesixty Architecture

he face of town centres has changed significantly over the past ten years. Accelerated by Covid, this has resulted in retail decline and an increase in localism. Retail no longer dominates in town centres and East Kilbride has not been immune to this change. This masterplan is the opportunity for the town to rediscover its identity and purpose.



Reimagining the high streets

The proposals are structured around the methodology for High Street Regeneration that we developed with the Scottish Government. Working closely with South Lanarkshire Council and the asset management team at Scoop, we have structured the masterplan around a series of key principles.

• **Turning Problems into Opportunities:** The centre currently has 75 vacant units and over 500,000 sqft of empty floor space. Consolidating the retail offer through a demolition programme will reduce space by over 40% and create four sites for redevelopment.

• 20-minute neighbourhood: The proposals deliver a strong urban infrastructure, with streets and public spaces that establish a connected, accessible and permeable town centre. This is not about removing cars, it's about re-balancing the layout to improve active travel and public transport, as well as ensuring good vehicular and service access.

• A new Civic Heart: The purpose of a Town Centre is much more than a Shopping Centre, it's about offering an environment that serves its community. At the heart of the proposals are a new Civic Square and Hub. The focus is to transform this area into a unique and recognisable focal point for the community: an embodiment of the future East Kilbride.

A public square will provide a new gateway to the town and create an improved visual and physical connection to surrounding neighbourhoods. New buildings and attractors will activate the space and form a hub that provides civic and community-led services and a new landmark building for the town.

 Repopulating the Town: The Centre West site is the opportunity for an exciting new residential neighbourhood, offering modern town centre living with 300-400 new homes for private and social markets. A mix of flats. suitable for first time buyers, downsizers and seniors would be located alongside maisonettes and terraced housing for family living.

High quality green public realm will create an accessible, attractive environment with amenity for residents to



amenity for residents to Plans for a new residential neighbourhood share along with infrastructure to support biodiversity and enhance flood resilience.

• **Rebalancing the Town:** Retail and commercial uses are not forgotten and are still critical to a thriving town centre. We have been working closely with Savills to ensure that the offer responds to community needs and market demand. The proposals include a new hotel and 40,000 sqft. Supermarket. Across September we are carrying out three weeks of public and stakeholder engagement to gain support and help develop the brief for the Civic Hub. Thereafter, with initial estimates for the full masterplan at £100M, we will work closely with Scoop and SLC to develop a delivery and phasing plan and focus on attracting public and private sector investment.

This Vision is an exciting first step in future-proofing East Kilbride for the next 50 years and providing a place that meets the needs of the whole community.



Aerial view of the East Kilbride masterplan, the redevelopment will cut retail space in the town centre by 40%.

SPF ENGAGEMENT RECAP



SPF held a roundtable with members working across the Dundee region with Dundee City Council and the Housing Minister (L-R) Cllr. John Alexander, SPF Chair Maria Francké, Paul McLennan MSP, SPF Vice-Chair

SPF held a roundtable with the Planning Minister at Colliers Office, Edinburgh (L-R) SPF Director David Melhuish , Joe FitzPatrick MSP, SPF Chair Maria Francké, SPF Planning Committe Vice-Chair Anthony Aitken

REGIONAL EVENTS

this month, we met with members in Inverness working across the Highland region. The key concern raised was around the speed of planning decisions as well as difficulties in engaging with officials in the wider planning system including key agencies. Members also discussed available funds to support vacant and derelict land back into use and how there needs to be more awareness of these opportunities.

Contra a

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We held a rountable with Dundee City Council and the Housing Minister, Paul McLennan MSP. The discussion covered economic development, housing policies with a focus on BtR and PBSA and the future of retail in the city centre. Members raised concerns on both regional and national levels. The Council & the Minister highlighted that they are keen to work with the private sector to attract sustainable investment, jobs, and infrastructure into the city and across Scotland.

INDUSTRY INSIGHT



The village setting the standard for positive placemaking

ROB SUMMER

Residential Invesment Director, Sigma Capital Group

Sigma Capital Group

A key part of future-proof housing is a mix of homes for people of all ages, stages, and tenures. Research has shown that a mixed-use development can foster a strong sense of community, help residents feel happier and healthier through increased physical activity – with walking routes and green spaces – and boost local economies, allowing residents to spend money in their area through amenities such as shops and leisure activities.

Bertha Park in Perth is one such development, which will see the creation of 3,000 homes upon completion. As a countryside community, it will become the gold



standard for how residential placemaking should be approached. It is the first new build village in Scotland to offer homes of all tenures: open market sale through Springfield, 75 family homes for rent with Simple Life and 25% social housing with Kingdom Housing Association.

The aim when designing Bertha Park wasn't to create a standalone development, but a village, with elements to build a longstanding community that helps residents to feel healthy and happy. The site has a variety of amenities to aid this ambition, with a play park and allotments planned. There's also a country park nearby, ensuring residents have plenty of opportunity for active travel – be it walking or cycling. Bertha Park high school has also put the village on the map, as the first purpose-built high school in Scotland for 20 years and is one of only 17 Microsoft flagship schools in the world.

Community engagement is at the heart of the development with regular events and social activities happening throughout the year – from litter picking

to Easter egg hunts. Residents receive a quarterly newsletter to keep them informed about everything happening in their neighbourhood, from updates on construction to details of events.

WOULD YOU LIKE TO

We are keen to showcase a variety of industry topics. If you would like to write for our next Voice, please get in touch

RAISE AN ISSUE?

with spf@bpf.org.uk.

The site also won a national Susdrain award for careful planning for biodiversity and blue/green infrastructure. It has retained natural features like ancient woodland and the Bertha Loch, with the site being built around them, rather than against them.

Rob Sumner, Residential Investment Director at Simple Life Homes, care of Sigma Capital said:

"Mixed residential sites work well to drive the delivery of housing to meet targets and to unlock success on much larger sites. Beyond this, BTRSFH can result in a fast absorption rate and therefore, the site feels immediately more established, which is advantageous for site funding, attracting more homebuyers and positively affecting house prices.

"From our perspective as a build-to-rent landlord, once a development is stabilised, we as landlord remain with a long-term custodianship on site, providing regular eyes on, maintenance and support in the community into the future.

"We're so proud of Bertha Park and look forward to continuing to work closely with local authorities and partners to drive forward the fantastic community spirit that has already been created."

Find out more about Bertha Park and the single-family homes for rent here.



SPF POLICY BITES PROGRAMME FOR GOVERNMENT INSIGHTS

Planning update

There were not many new planning policy announcements in the Programme for Government, but we did hear the announcement on a centralised mechanism for decision making regarding section 36 applications for onshore wind farms. This recognises the delays in decision making under the present planning system arrangement. We hope that this approach can be adopted for wider planning infrastructure issues to accelerate the time taken to determine such applications which can otherwise threaten to hold up wider investments.

Earlier this month, SPF held a round table with the Planning Minister, Joe FitzPatrick MSP where we highlighted key challenges in the planning system faced by the industry and re-iterated the importance of planning as a platform for investment. We raised concerns with planning performance and the time taken to determine planning applications. In addition, we highlighted difficulties faced by members seeking to contact planning officers as they continue to work remotely. These challenges continue despite the increase in planning fees. Following this, the SPF also met with Chair of HOPs & Head of Planning at Scottish Borders Council, Ian Aikman, where we reiterated these concerns alongside addressing resource and system challenges. Ian reported that HOPs is doing a survey with various local authorities to evidence any improvements made by fees increases.

Heat in Buildings update

In the PfG, the government reiterated their commitment to the anticipated Heating in Building regulations coming into force in 2025. A consultation for these Regulations is expected to be issued in the autumn of this year.

Meanwhile, the SPF is engaging directly with the lead officials involved in nondomestic/commercial regulations and helping CERG (Climate Emergency Response Group) formulate recently published proposals for 'Greening Commercial Buildings'. A key concern highlighted with CERG with respect to the successful implementation of retrofit policy, is the legal complexities of tenant/owner, multiple tenants relationships in the commercial building sector. We are focusing on the practical issues faced by commercial property investors and owners in relation to property improvements designed to make our buildings more sustainable.

The SPF is also meeting with the officials from the government in early October to relay the key challenges of skills and supply chain constraints to achieve the energy standards proposed for new builds.

Non-Domestic Rates

The PfG also included a commitment to consider the initial recommendations of the new Deal for Business subgroup on non-domestic rates. This group is considering short-, medium- and long-term reforms to the rating system. The NDR group, co-chaired by Public Finance Minister Tom Arthur MSP and Dr Liz Cameron, CEO of the Scottish Chambers of Commerce, has highlighted a number of recommendations. These include improving the transparency of rateable valuations, digitisation of the rating system, a review of the effectiveness of reliefs, better rates incentives for property improvements and a review of the devolution of empty property rates relief policy. The SPF is expected to be involved in ongoing consideration of rates relief for property improvements and the EPR devolution.

SPF POLICY BITES

Rent Cap Update

As expected in the PfG, the government re-announced their commitment to a national form of rent control as a part of the upcoming Housing Bill to come in force in 2025. The government has today issued a survey containing core proposals for rented sector reforms, including on the rent control mechanism. This survey can be responded to on this link, and we encourage interested members to have their say.

The SPF met with the Housing Minister, Paul McLennan in our Dundee regional dinner this month where we underscored the negative impact of uncertainty in housing policy which was deterring investment coming to Scotland amidst a housing crisis. We are scheduled to meet the Tenants Rights' Minister, Patrick Harvie MSP, soon to reiterate these concerns.

Last week, the second formal review of the Cost-of-Living legislation was passed in the Scottish Parliament which provides for a final rolled over for 6 months, extending until 31 March 2024.

Commitment for CPO reform

The Programme for Government was an opportunity for First Minister Hamza Yousaf to announce new policy intentions for the industry over the next two years. Instead, his announcements were mostly expected, having reiterated many of his earlier promises to help reset relations with the business community in the New Deal for Business. What was new and welcome however, was a commitment to reform and modernise Compulsory Purchase Orders (CPOs) - a longstanding recommendation by the Scottish Law Commission to increase Local Authority powers to acquire land. While there are credible claims that this could threaten the development industry, reform also poses an opportunity to unlock underused sites for re-development. Perhaps most well known is the use of compulsory purchase procedures to aid the re development of the St James Centre in Edinburgh

RAAC and Cladding update



Also mentioned in the Programme for Government was a commitment to mirror England's Building Safety Levy in the form of a Cladding Remediation Bill that would give Ministers the power to charge developers a fee so they can contribute fairly to tackling cladding issues. This comes at a time when the industry and government are also realising the extent of Reinforced Autoclaved Aerated Concrete (RAAC) issues in buildings as mentioned briefly in the PfG. At this stage, is it unclear who will be liable for RAAC remediation works, but given the increasing discovery of RAAC in public sector buildings, it'll be likely to affect landlords, tenants, and the wider private real estate industry.



Join us to Celebrate the Tenth SPF Annual Dinner

With Baroness Ruth Davidson

Thursday 12 October 2023 | 6pm EICC, Edinburgh

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