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SPF VOICE

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SPF

Technology & Innovation Centre,
University of Strathclyde, Glasgow
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Maria Francké

SPF Chair

Director Maria Francké Planning

Our industry engagement with government at all levels continues at a pace. Heat in Buildings, PRS rent controls, the Building Safety levy, business rates policies, are but a few current and recent examples. Added to this is the PBSA review statement issued late last week. This is an area of major significance I know to many of our readers and the statement has been keenly awaited. In some ways the Statement is the end of the beginning as there will be further stakeholder engagements with the government, SPF, Unipol, NUS, universities and others. The eleven recommendations made in the Minister's Statement are in line with those expected by the review stakeholder group, and indeed have been regarded as a sensible set of proposals by many industry commentators. We will work hard to ensure that a constructive approach remains at the fore of the PBSA review as it now moves towards further consultation and inevitably legislation.

The PBSA experience is not one that many members who have engaged with government on its Housing Bill agenda might necessarily recognise. A meeting held last week with both Ministers is reported on elsewhere in this document, but we remain hugely alarmed at the prospect of losing potentially £Bn.s of investment and thousands of new homes if the Housing Bill fails to secure the support of the wider investor community. That will only exacerbate and not solve the imbalance in the PRS market between

limited supply and increasing demand for good rental homes.

Despite these concerns, I have been encouraged by your participation and contributions to our recent meetings with UK and local governments across Edinburgh, Glasgow, Dundee and Aberdeen. I am hugely grateful to our hosts, RSM UK, Burness Paull, JLL and Thorntons for these events. We have enjoyed senior participation not just from the public sector but also from the Forth Green Freeport and, most timely, from the university sector. Once again, we welcome strong partnership from our local government colleagues for our forthcoming annual conference in Glasgow, Creative Places for a New Economy. Our sixteenth annual conference has had a tremendous response with 50% of tickets gone in our early sales already. I am hugely grateful to you for this support. Again, we have secured senior political, government and industry contributions and if you have not yet booked your seat – don't delay!

With best wishes, Maria

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INDUSTRY INSIGHT



Why Scotland must catch up quickly in its cladding remediation programme

STUART MONCRIEFF

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On the 30th of March 2022, I wrote an introductory paper for the Scottish Government, which shared our extensive Principal Contractor experience delivering cladding remediation projects in England.

Being a Scottish based Principal Contractor, with UK regional offices, there was obvious linkage around project delivery successes, failures, corrections, and strategy. Whilst there are geographical differences on matters such as Building Regulations, Statutory Approvals and feudal and tenure, significant elements of those processes are transferrable to Scotland. The primary purpose of my paper was to share our experiences for the greater good of the cladding remediation programme in Scotland.

Political lockstep has been a topic of much conjecture in the United Kingdom in recent times. Whilst the protection of human life is, quite correctly, absolute, some advantage could be, or should have been, had by Scotland being out of lockstep and learning from those challenges in England. It still can. That said, where England has regular stakeholder engagement, via DLUHC representatives, provides ongoing clarity on its processes, publishes statistics on eligibility and achievement, and passes new legislation, Scotland debates primary legislation. The problem with primary legislation is that it is typically followed by secondary legislation and so on. Compare and contrast.

And why is that important?

Firstly, residents have a right to live within a safe building, absent of financial hardship imposed from the remediation of non-compliant construction.

Secondly, there is a saying that resonates with me; "I can do things you cannot, you can do things I cannot; together we can do great things".

Successful cladding remediation works derive from collaborative working by all affected stakeholders. That includes, but is not limited to, Residents,

Property Managers (or Factors), Employers, Contractors, Supply Chain, Design Consultants, and Local Authorities. On the project delivery side, it is a very shallow pool of appropriately qualified entities. The word appropriate merits further definition. For that, read, suitably qualified, experienced, insured and with capacity.

Regrettably, where England has been ahead of Scotland on the curve, that shallow pool of appropriately qualified entities has gravitated towards those projects going to site soonest in England. Where that occurs, effectively supply and demand, this may unnecessarily prolong the cladding remediation programme in Scotland, or worse still, promote the use of inappropriately qualified entities to deliver it.

The way forward?

- Speedy conclusion of the consultation and legislative process.
- Clarity around any prescribed formats for Single Building Assessments, centralised Building Registers, and the Golden Thread of Information.
- Expedited Statutory Approvals to allow remediation works to be commenced on site without unnecessary delay.
- Regular and proper engagement with Contractors, Consultants, and the Supply Chain to provide certainty around scale and timeline and to allow for refinement of processes. No sounds business model can commit to the unknown and at the detriment to similar opportunities in England which are readily available.

With that in mind, Scotland can catch up quickly in its cladding remediation programme, but some hard yards lie ahead.

INDUSTRY INSIGHT



NPF4 - One Year On

ANTHONY AITKEN

Head of Planning
Colliers

WOULD YOU LIKE TO RAISE AN ISSUE?

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

The National Planning Framework Four was one year old on 13th February 2024.

The NPF4 was brought into effect after much scrutiny and debate by all stakeholders in the Scottish Planning System, providing the new spatial planning principles and national planning policy for Scotland to 2045, benefiting from its enhanced status as part of the statutory development plan.

Although only a year on, there is merit in reviewing its progress and direction of travel to date. It is fair to state that this in turn presents a mixed picture of successes and challenges, in equal measure.

As we can all testify the application of NPF4 was instantaneous as was its application to 'live' planning applications, many of which had been submitted significantly before February 2023, including 'minded to approve' applications which were having their Section 75 – Legal Agreements finalised. This resulted in applications being referred back to Planning Committee's in many instances, to review their compatibility with NPF4. A rather inauspicious start and fulfilling the much vaunted view that the new NPF4 would lead to a significant increase to the workload of already busy local authority planning officers. With hindsight, a simple 'grace period' or its application to all planning applications submitted after its implementation date, may have been a more considered approach.

One of the most interesting aspects of NPF4 thus far, relates to the manner via which its policies are being both interpreted and applied. The Chief Planner was quite clear in her letter of 8th February 2023 relating to transitional arrangements;

"The intent of each of the 33 policies is set out in NPF4 and can be used to guide decision-making. Conflicts between policies are to be expected. Factors for and against development will be weighed up in the balance of planning judgement."

Whilst this clarity was welcomed ahead of NPF4 coming into effect, the practical issue is that a number of the new national planning policies are written in absolute terms with no flexibility offered. This was

always a concern and was a source of much debate in the Committee Sessions which considered NPF4 at the Scottish Parliament. A simple example of this relates to Policy 22 – Flooding, where SEPA have objected to a host of planning applications, which are on brownfield sites and supported in full by Policy 9 in sustainable urban locations. The local authority then have a difficult decision, with a statutory consultee objection, but their own wish that brownfield sites are developed, in order to limit greenfield land release. To date a number of planning applications, caught up by this policy dichotomy are 'on hold' until this matter can be reconciled. Adding delay to developments coming forward, a number of which are in areas with a stated 'housing crisis', is far from welcome.

There are clear winners from NPF4, the focus on biodiversity net gain, ecological and landscape protection. As well as the strengthened need case for on-shore windfarm development and the energy industry in Scotland. Less so, the Scottish housebuilding industry, that has grinded to a halt from April 2023 with the Scottish Ministers recalling the Mossend appeal and the subsequent legal challenge. Yes, just a year in and the law courts are already working on interpretation of NPF4 and Policy 16 – Quality Homes. The policy is based on the speed of delivery of housing in each local authority area against delivery rates predicted within new NPF4 compliant local plans, none of which have been (or will be any time soon) adopted.

It is hoped that as well as becoming more familiar with NPF4 and local authorities seek to apply its terms consistently, that its advantages will be far reaching and its current challenges quickly overcome. The aim requires to be to allow all stakeholders in the Scottish planning system to enjoy a predictable and beneficial outcome, NPF4 still has work to do to reach this desired planning plateau.



National
Planning
Framework 4



Our regional events

Aberdeen lunch

On 20 February, we headed to Aberdeen for a lunch kindly hosted by Burness Paull. We were joined by Aberdeen City Council, Aberdeenshire Council and the UK Government. It was a good opportunity for members to reiterate serious viability concerns regarding the regeneration of buildings given the council's empty property rates relief policy. The Councils also outlined various strategies including the City Centre and Beach Front. It is positive to see strong collaboration between both councils.

Dundee lunch

On 7 February, we held a working lunch in Dundee kindly hosted by Thorntons. Our guests included representatives from Dundee City Council, the University of Abertay and the University of Dundee. Naturally, there was a strong discussion around PBSA and the current offering of housing for returning and domestic students. We also discussed the need to develop suitable space for the life science and tech sector to scale-up to ensure we retain talent in the city.

Glasgow lunch

On 31 January, we held a working lunch in Glasgow kindly hosted by RSM UK. We were joined by an official from the planning department at Glasgow City Council. City centre regeneration including progress on the 'Golden Z' project was discussed and well as the provision of student accommodation and the need to ensure we are building quality homes for talent retention.

Edinburgh lunch

On 26 February, we met with members and representatives from the City of Edinburgh Council, the University of Edinburgh and Forth Ports. The meeting was a good opportunity for stakeholders to provide a broad update on the key challenges affecting development and investment in the city. This included positive discussions around Edinburgh West expansion, student number projections and the type of accommodation on offer for returning students as well as the role of Leith Ports and the wider Forth Ports in the creation of new green jobs and green tech adoption. A huge thank you to JLL for kindly hosting the lunch.


Our work in January/ February

Consultation Responses **x8** Regional Events **x4**

Public Sector Engagements **x18** Committee Meetings **x6**

SPF Policy Bites

Heat in Buildings consultation nears deadline



Last month, our sustainability committee members met with UKGBC (UK Green Building Council) and CERG (Climate Emergency Response Group) to discuss the Heat in Buildings Bill consultation, which is currently live and due to close on 8 March. Members relayed key obstacles to achieving the ambitious targets of decarbonising all buildings by 2045, where specific proposals include interim targets for PRS landlords to achieve minimum energy efficiency standards (MEES) by 2028, and homeowner occupiers by 2033. The proposals also require developers to connect to clean heating systems such as heat networks. The main concern remains around affordability, lack of skills and limited technology which could affect our ability to meet the targets. Major challenges lie ahead of achieving the target particularly for PRS landlords as multi-occupancy flats and tenements have additional technical, legal and feasibility challenges to carrying out the fabric upgrade or connecting to a clean heating source.

There is no MEES, or guidance specified in the document for the non-domestic sector but there is a requirement to connect to a clean heating source by the target year of 2045, which leaves a huge question on operational vs embodied carbon emissions. The mammoth task to expand heat networks across the country and the feasibility of this ambition remains in question. In addition, there are also key policy proposals emanating from local government on Local Heat Energy Efficiency Schemes (LHEES). Local authorities like Dundee and Edinburgh are consulting on their plans for LHEES; Glasgow has a major live document for LHEES that can be seen on their website and Fife have also developed their LHEES. Also, the Scottish Government published a report prepared by the Scottish Futures Trust on 20 February which looks at existing and an emerging range of strategies and mechanisms, examined to help inform the ongoing development of forthcoming regulation under the Heat Networks (Scotland) Act 2021. We are responding to the consultation on Heat in Building, which closes on 8 March, if you have views on it or would like to discuss it further, please reach out to us on spf@bpf.org.uk.

Harvie and McLennan speak to BTR investors



On Wednesday, 21 February, the Housing Minister Paul McLennan MSP and his Ministerial colleague Patrick Harvie MSP, Tenants' Rights Minister, met with investors to discuss the progress of the Housing Bill and its rent control mechanisms. The meeting was held online and considered the timing of the Housing Bill, which is expected to be introduced ahead of summer recess but looks set to be debated mostly in the second half of this calendar year, and also the broader government strategy towards landlord and tenant interests on rental policy. For investors, the major concern raised was on the proposed extension of rent controls to in-between tenancies and this concern was highlighted strongly by a range of stakeholders.

Future of water industry consultation closes



On Wednesday, 21 February, we submitted brief comments on the Water Industry consultation produced by the Scottish Government. This was a fairly generic consultation with a main focus on the impact of climate change on Scotland's water industry and policies. However, we took the opportunity to highlight that delays in Scottish Water-related infrastructure provision that have a negative impact on our industry, businesses and households alike.

Building Safety Levy



Last Monday, 19 February, the SPF provided comments to the joined consultation between HM Treasury and the Scottish Government on the devolution of power to allow the Scottish Government to raise a building safety levy to contribute towards the costs of Cladding Remediation in Scotland. We highlighted to the Treasury that there would be an economic impact from the Levy given the wider pressures on the development industry, but that our key focus would be on how the levy was applied in Scotland by the Scottish Government.

The latest on planning reform



As Anthony Aitken from Colliers discusses in one of our industry insights this month, it has been a year since NPF4 was adopted and, NPF4 is very much still a work in progress. There are still conflicts on the interpretation of the policies and seeing the bigger picture that NPF4 was aimed to achieve. Local authorities have started developing their new style LDPs in accordance with NPF4, and we hope this process becomes clearer and streamlined as the consultation processes begin on these new-style LDPs. For example, Fife's LDP (FIFEPlan) is live, on which they will gather evidence and gatecheck during this quarter (by April 2024) to further develop and consult on LDP2.

Planning resourcing remains a major issue, which was a key finding in NPIC (National Planning Improvement Champion) report from Craig McLaren's call for ideas on improving the Planning system, which highlighted the diversity of views on what a good planning service looks like. However, one point of collective agreement was that resourcing remains a huge issue. The Scottish Labour Party conference also touched upon 'reforming the planning system' with an emphasis on providing greater certainty and efficiency as a key objective. We will continue to engage with the authorities on these issues and will be participating in upcoming high-level meetings with government, local authorities, and wider industry stakeholders.

The consultation on the above issue of [resourcing and planning fees](#) was launched today (28 February) and closes on 31 May. Alongside this further consultations on the proposed procedures for amending the [National Planning Framework and Local Development Plans](#), and the proposed trigger for a full review of NPF, and the procedures for making [Masterplan Consent Area schemes](#) to support place leadership have also just opened and due to close on 22 May. Please do reach out to us if you want to discuss it further or have comments to feed in these consultations.

SPF Annual Conference 2024

Creative Places for a New Economy

Our conference this year is themed Creative Places for a New Economy and will highlight key issues facing the real estate sector and our public sector partners in Scotland in 2024. With our new colleagues, the UK PropTech Association, we will also address how new working methods are changing the way we work and the role of real estate in the transformation of our economy.

The conference will hear from experts and key stakeholders covering a range of themes including:

- the role of planning in delivering place-making for our new economy
- the challenge of adapting our built environment to be net zero carbon emissions
- the regeneration of our towns and cities
- the need to attract investment to deliver more homes across all housing tenures.

To hear from an array of experts in these topics book now!

Keynote Speakers



Paul McLennan MSP
Minister for Housing,
Scottish Government



Mark Allan
BPF President &
CEO, Landsec



Melanie Leech
CEO, BPF



Cllr. John Alexander
Leader, Dundee City
Council



Maria Francké
Chair, SPF & Director,
Maria Francké
Planning



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