

SPEAKING NOTE – BTR FORUM SCOTLAND PRE-CONFERENCE DINNER

Thank you for that kind introduction and for inviting me back again. Some of you might remember that when I spoke at last year's dinner I emphasised strongly how the Scottish Government supports the Build to Rent Sector. This evening I will affirm our continued support and reflect on the encouraging progress that is being made.

I am pleased to note that key stakeholders from the Build to Rent Sector have joined us again for this year's dinner and will be attending the conference tomorrow. The Scottish Government recognises that your continued support is crucial to the success of Build to Rent in Scotland. We are committed to encouraging economic growth and investment while increasing quality and choice for private tenants. Continuing to collaborate with you in the months and years ahead is essential if we are to achieve these goals.

Scotland already offers a fantastic place to live and work and we, as a government, continue to drive forward work to ensure our message is clear: Scotland is open for business.

I had the pleasure of speaking at last year's pre-conference dinner in Edinburgh. It is fitting to have the dinner in Glasgow this year given the encouraging signs of progress with growing the Build to Rent sector in the City.

There are now a number of consented Build to Rent schemes in key city centre locations. Development has already started at Buchanan Wharf next to Barclay's new Scottish headquarters. Demolition at the old Police headquarters on Pitt Street has nearly finished and is moving into the development phase.

The Building Scotland Fund – introduced by the Scottish Government last year – has provided funding to Sigma Capital to deliver much needed good-quality private-rented family accommodation across Scotland. The recent announcement that Sigma has agreed a formal collaboration with Springfield Properties is a significant development in the market. This will see two Scottish based companies deliver hundreds of family homes in Dundee, Edinburgh, Inverness, Perth and Stirling. Sigma will of course be looking to cover additional household groups, as well as working alongside other house-builders. I am pleased to hear that the first sites for this have been identified and that it is expected that the first units for this project will be completed next year.

The Building Scotland Fund is a precursor to the Scottish National Investment Bank and aims to unlock housing across all tenures. The £150 million Fund will run until March 2021 and provide loans or equity to support housing across all tenures, modern industrial and commercial space, and industry-led research and development.

The finance available through this Fund is a source of potential support for the expansion of Build to Rent sector here in Glasgow and across Scotland.

The Fund is accepting applications and further details, including eligibility criteria, can be found on the Scottish Government's website for anyone who wishes to find out more. You can also speak to Scottish Government officials who will be happy to provide advice.

Those of you who joined me at the pre-conference dinner last year may also remember me discussing three big measures that we had put in place:

- The Rental Income Guarantee scheme, RIGS for short, was designed to give greater certainty of rental income to investors;

- The Private Housing (Tenancies) Act 2016, which introduced the new modern tenancy system of the ‘private residential tenancy’, providing more stability for tenants while simultaneously creating stronger safeguards for landlords, lenders and investors;
- and tax relief from the LBTT Additional Dwelling Supplement, meaning that it is not due where 6 or more properties are purchased, providing an advantage to developments relative to the rest of the UK.

Since being implemented, these have helped create a positive environment for developers and investors to deliver Build to Rent developments. We look forward to seeing these projects completed and providing the benefits to tenants in the years to come.

The past year has also seen Scotland’s first ‘single team’ presence at MIPIM, which is of course a crucial market for us to promote BTR opportunities in Scotland at. We are taking the same space again at next year’s show, and it is important to me that we show both the investment and development opportunities – and the professional skills and talent we have in Scotland to deliver those opportunities on the ground. If you are thinking about going to MIPIM, I would urge you to consider

going out with us, as a positive demonstration of what the public and private sector can deliver when we share the same aims.

We fully understand the importance of Build to Rent to Scotland's economic growth. Build to Rent not only stimulates construction activity. It also creates jobs and valuable apprenticeships which equip our young people with the right skills to support the construction industry. It helps ensure that Scotland's economy continues to thrive in the years ahead. This is why our support remains strong.

The theme of tomorrow's conference is 'Build to Rent in Scotland – Still Game?' and I hope we can all agree tonight that this sector and the investment into it is still very important to Scotland.

Unfortunately, I will not be able to join you at the Forum. However, Kevin Stewart, the Minister for Local Government, Housing and Planning will give the keynote address tomorrow morning and reinforce the Scottish Government's commitment to Build to Rent.

Thank you again for inviting me to speak this evening. I hope you enjoy the rest of the evening as well as what promises to be a fascinating conference tomorrow.

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WORD COUNT – 921

APPROX. TIME – 7 MINUTES