

SPEAKING NOTE – BTR FORUM SCOTLAND

Thank you for that kind introduction and thanks for having me back again.

When I spoke last year I emphasised how strongly the Scottish Government supports the Build to Rent Sector.

I want to stress today that this support not only continues, but particularly at a point where it appears real progress is being made, we have injected more support in the past year.

Scotland already offers a fantastic place to live and work and we, as a government, continue to drive forward sectors that will ensure it is a competitive place to invest and do business.

Supporting the growth of the Build-to-Rent Sector in Scotland is an important element in the Government's More Homes approach – an approach that has resulted in expansion in the supply of new homes across all tenures in recent years.

For Build-to-Rent we have put in place an enabling package to help improve the conditions for investment in new purpose-built homes for private market rent in Scotland.

That covers planning delivery advice; a tax break; private rented tenancy reform; and a rental income guarantee scheme approved by Parliament. It includes year on year promotion of the opportunity in Scotland - with Homes for Scotland, Movers and Shakers and others, including through this annual conference.

And last year we introduced the new Building Scotland Fund which can support eligible schemes.

It is encouraging now to see the momentum that has been building and the evidence of an expanding Build To Rent pipeline.

There have been encouraging signs of progress over the past year. There are now a number of consented schemes in key city centre sites here in Glasgow. This is in addition to a Build To Rent loan facility through the Scottish Government's Building Scotland Fund with Sigma Capital that will deliver much needed good quality private-rented family homes across Scotland.

Sigma has recently announced a formal collaboration with Scottish house builder Springfield Properties and will also work with other house builders in Scotland. I am pleased to hear that

the first sites for this Fund have been identified and we will see the first completed units next year.

It is good to see the support from major City local authorities at today's conference - both as speakers and attendees. With SG planning colleagues, we have been maintaining close relations with local authorities and private sector actors – both to monitor progress and to help address any perceived or actual impediments to progress on the public sector side.

Officials have been working with local authorities to learn from them and to obtain more knowledge about the sector.

Earlier this year I visited a range of Build to Rent developments in Manchester and Liverpool. Having seen developments in the North West of England myself, I know the many benefits afforded to tenants and have heard how popular they have been with people within the local communities. Hopefully that visit has given the local authorities the opportunity to see the great potential within Scotland. We have maintained contact with those who took part in the visit to support discussions between authorities and industry to explore Build to Rent opportunities.

Another important development in this area is that the newly published guidance for local authorities in preparing their local

housing strategies requires them to consider Build to Rent as a housing option within its local housing plans.

The theme of today is 'Build to Rent in Scotland – Still Game?' and I can assure you that the Scottish Government still very much is.

The measures that have been put in place such as the Rental Income Guarantee scheme, the Private Housing (Tenancies) Act 2016, and tax relief from the LBTT Additional Dwelling Supplement have created the positive environment for developers and investors to deliver schemes. We look forward to seeing these completed and providing the benefits to tenants over the next few years.

It is great to see there is a session on delivering affordable homes as part of the conference today. This affordable mid-market rent sector can provide not only much needed city centre homes, but homes for families in more suburban locations in areas they want to live in at prices they can afford. It would be good to explore this further along with possible public-private partnerships as this is something we must continue to develop. I will be very interested to hear how these discussions go later today.

Also of significance is the new Planning (Scotland) Act 2019 which received Royal Assent in July. The Act forms an important part of our wider planning reforms.

It includes a range of changes to the planning system which will support stronger planning for housing. It will improve local development plans and streamline the way in which we identify how many homes are required, providing a greater focus on delivery - in terms of both Build to Rent and our commitment to the creation of affordable housing.

The Building Scotland Fund launched last year is a precursor to the Scottish National Investment Bank. The finance available through the Building Scotland Fund aims amongst other things to unlock housing across all tenures. It is a further source of potential support for the expansion of Build to Rent in Scotland.

The Fund is currently 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 the Scottish Government officials who can provide advice.

All these measures together show this government's continuing commitment to supporting the Build to Rent sector. It is a key

element of our 'More Homes Scotland' approach which aims to increase housing across all tenures. Our vision is that all people in Scotland live in high quality sustainable homes that they can afford and that meet their needs.

This Government fully understands that a vibrant construction industry is central to Scotland's economic health. In addition to the benefits for tenants, Build to Rent has the potential to provide substantial and positive economy impacts. Build to Rent investment in Scotland stimulates construction activity and creates jobs - including valuable apprenticeships - equipping our young people with the right skills to help Scotland's economy to thrive.

Today you will hear from people with a lot of experience in this field talk about the market, the current Build to Rent developments that are planned in Scotland and future opportunities in the sector.

I am sure that will give us all plenty to contemplate moving forward. It is encouraging, certainly for me – and I hope for you too - to see the continuing momentum towards establishing Build to Rent in Scotland. I hope you enjoy the rest of the day's presentations and discussions.

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WORD COUNT – 1118

APPROX. TIME – 9 MINUTES