

BUILDING SCOTLAND FUND

Supporting house building, modern industrial and commercial space and business-led Research and Development

Building Scotland Fund – Economic Action Plan and Programme For Government

- Scottish Government's Economic Action Plan – ***Supporting business, accelerating growth and prosperity for all*** – launched on 26 October by the Cabinet Secretary for Finance, Economy and Fair Work.
- Key action included in the Plan is - **Investing in business**
- Establishment of the **Scottish National Investment Bank** announced in last year's Programme for Government and highlighted again in this year's PfG, is integral to this.
- The Bank will be **operational in 2020 and will invest £2 billion in businesses and communities.**
- Backed by the **commitment of at least £2 billion investment in its first 10 years**, this will pave the way for a step change in innovative and inclusive growth.

Building Scotland Fund - Background

- The £150m Fund was announced in the Draft Budget 2018 to 2019 and is the precursor to the **Scottish National Investment Bank**.
- The Fund intends to invest **£70 million in financial years 2018 to 2019 and £80 million over financial years 2019 to 2021**.
- The investments of this Fund will need to be paid back and will be made either as **loans or by acquiring equity**. Repayment will be between 2 – 30 years
- Loans will be at commercial rates or in compliance with EU State Aid regulations.

Building Scotland Fund - Delivery

- Public sector bodies involved in the delivery of the Building Scotland Fund are:
 - The Scottish Government – More Homes Division
 - Scottish Enterprise
 - Highlands and Islands Enterprise
 - The Scottish Funding Council
 - The Scottish Futures Trust



Building Scotland Fund - Objectives

Co-investment with the Building Scotland Fund will support:

- unlocking housing development across all tenures
- the development of modern industrial and commercial space
- business-led research and development projects with a reasonably realistic prospect of commercialisation

Additionally, the Building Scotland Fund seeks to:

- Encourage innovation and collaboration
- Provide a catalyst for skills development and innovation across the construction sector; and
- Increase jobs and employment in construction

Building Scotland Fund – Eligibility

- The Fund is open to non-public sector organisations including :
Businesses, housing associations, universities
- Minimum investment is likely to be **£1 million or above** although we retain discretion to consider lower.
- Focus on projects and investments that support inclusive growth, reduce carbon and sustain and create places in line with the vision of SNIB.
- Projects / investments must be capable of agreement within a short timescale and **draw down by March 2021** (although we may consider later draw down)
- Evidence of deliverability within this timescale is helpful; e.g. planning ,land control, finance offers; applications demonstrating this will be given priority.
- Finance available will vary but will not cover the entire cost of a project.

Building Scotland Fund – Expressions of Interest

- Applicants will initially need to provide an Expression of Interest (EOI) application form to SG (available for download from the SG website) - <https://beta.gov.scot/policies/economic-growth/building-scotland-fund>
- Completed application forms will be passed to the relevant Delivery Organisation.
- If eligible, further work will be undertaken and additional documentation will be sought.
- Completed expressions of interest should be submitted to Buildingscotlandfund@gov.scot

Building Scotland Fund – More information

For more information on the Building Scotland Fund please direct your enquiry by subject area:

- **General Building Scotland Fund and R&D project enquiries**
- Email: the Scottish Government at buildingscotlandfund@gov.scot
- Or telephone the Scottish Government Central Enquiries Unit on 0300 244 4000
- **Housing project enquiries**
- Email: the Scottish Government at BSFhousing@gov.scot
- **Industrial and commercial enquiries**
- Email: Scottish Enterprise at BSFcommercial@scotent.co.uk (outwith the Highlands and Islands area)
- Highlands and Islands Enterprise at BSFcommercial@hient.co.uk
- **University enquiries**
- Email: Scottish Funding Council at dbeards@sfc.ac.uk