

BUSINESS PLAN 2023/2024

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SCOTTISH
FUTURES
TRUST

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FOREWORD

2022 was another extraordinary year in the world of infrastructure, as it was across the economies and societies of Europe and the wider world. Russia's invasion of Ukraine led to unprecedented supply and pricing pressures across already challenged energy markets, which stoked inflation to a 40-year high. This, combined with long-term working pattern changes, public service and global supply chain pressures from the COVID pandemic, and the still-disruptive effects of Brexit brought a unique combination of demand and supply-side challenges.

The energy market disruption created an added incentive for transition to net-zero energy sources and investment in energy efficiency, whilst the inflationary pressures decreased capacity to pay for necessary investment, and increased the cost of transition. That said, our team at the Scottish Futures Trust, and those across the public sector and industry with whom we collaborate, are doubling down on their net-zero focus. 2023 will be an important year in Scotland for progress towards a net-zero built environment with Scottish Government due to consult on a Heat in Buildings Bill. Our teams will continue to play a central

role through the heat networks support unit, management of the Learning Estate Investment Programme with its industry-leading energy efficiency targets, our Net Zero Standard for Public Sector Buildings, the Green Heat Finance Taskforce and broader initiatives across the organisation.

The economic pressures on delivery are likely to remain through the year. Whilst the rate of inflation has reduced, cost pressures will remain and tight budgets across the public sector will likely require investment prioritisation to maintain pipelines of delivery. The wider economy remains fragile and leveraging investment into the energy transition, industry digitalisation and sustainable development for places across Scotland will improve outcomes for those places both whilst the investment is being delivered and when new or re-purposed assets are in use.

Our teams will be supporting prioritisation to focus scarce resources where inclusive economic growth and net-zero outcomes can be maximised, additional investment leveraged and public services made more sustainable. We will focus on collaborative development and delivery of

propositions conceived with clear place-based outcomes to the fore.

We will use our skills in funding and financing across infrastructure sectors to unlock investment and will work with colleagues across the public and private sectors to improve the delivery of programmes and projects, including through the work of the Construction Accord.

In this Business Plan, we set out our response to these challenges, and the work we will take forward with partners across industry and the public sector in 2023-24 to contribute to our vision of "World Class Infrastructure for the people of Scotland".



Peter Reekie
Chief Executive

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OUR WORK

Infrastructure is a fundamental building block to improving the quality of our lives.

From the homes we live in and the schools and health centres we use, to the new types of infrastructure Scotland needs - either for charging electric vehicles or improving mobile phone coverage - infrastructure is all around us and underpins many different aspect of our lives.

Today in Scotland, the infrastructure we need, how it is paid for, what materials are used to build it, and where it is built, all need to be considered with a focus of net zero, place and inclusive economic growth.

This is not just a challenge for the public sector, but it is the responsibility of every person involved in planning, building, investing in, owning, operating and using Scotland's infrastructure.

Helping the public sector navigate a path around this increasingly complex infrastructure landscape is a key role for us, the Scottish Futures Trust.

We were established in 2008 by Scottish Government where, as infrastructure specialists, we take a leadership approach and work hand in hand with our public and private sector partners to maximise the benefits coming from their infrastructure projects.

And we do this recognising that more must be done to encourage the adoption of a 'one public sector' approach to service delivery, where we are providing support to help the public sector work closer together to get the most from limited budgets.

We work across 14 interlinked infrastructure workstreams giving us a holistic view of the priorities and needs of all our public sector partners, which in turn helps us pull together the right teams and resources to enable our partners to secure greater value and deliver improved services for their communities.

This Business Plan sets out the activities each team will undertake for the year ahead.



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INFRASTRUCTURE OUTCOMES

While the work we deliver in collaboration with our many partners is focused on improving the outcomes from infrastructure right across Scotland, we, together with Scottish Government, recognise the bold and necessary actions that need to be taken here in Scotland to help address the global climate emergency.

The actions we are taking and those of Scottish Government are directly linked to the United Nations Member States' 17 Sustainable Goals.

In 2015, all United Nations Member States adopted the 2030 Agenda for Sustainable Development, that set out a shared approach for peace and prosperity for people and the planet.

At its heart are 17 Sustainable Development Goals which are an urgent call to action to end poverty, protect the planet, and ensure that by 2030 all people enjoy peace and prosperity.



In support of those Goals, in 2018 Scottish Government set out a series of long-term outcomes in its National Performance Framework with the aim of creating a more successful country with opportunities for everyone to flourish through increased wellbeing and sustainable, inclusive economic growth.

Infrastructure has a vital role to play in facilitating the outcomes set out in Scottish Government's National Performance Framework which is linked to the UN's Sustainable Goals.



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INFRASTRUCTURE OUTCOMES

In our 2019-24 Corporate Plan, we set out 10 infrastructure outcomes (set out below), which are aligned to the outcomes in Scottish Government's National Performance Framework and to which all our business activities are focused. To demonstrate the impact of our work, our [Outcomes website](#) has over 100 case studies that highlight the progress we and our partners are making, a number of which are highlighted throughout this Business Plan.



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A clear picture of future infrastructure needs
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Improved coherence, pace and placemaking across major developments
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Effective public assets driving transformation or re-deployed
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Technology-enabled construction, asset management and usage optimisation
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Infrastructure-related carbon dioxide emissions are reduced



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OUR FOCUS

When the Infrastructure Commission for Scotland presented Scottish Government with a 30-year infrastructure strategy, it stressed all future investment should be focussed on delivering infrastructure that is inclusive, place-based and contributes to a net zero carbon economy.

In 2021, Scottish Government published its 2021-26 Infrastructure Investment Plan and set out three infrastructure themes outlining that future infrastructure investment would be prioritised where positive outcomes would be created over more than one theme.

We have embraced those themes and have taken them to be our own corporate priorities where our work is focused, where we:



Enable the transition to net zero emissions

focus on leading the way with coordinated decarbonisation of public sector assets to catalyse necessary industry transition



Drive inclusive economic growth

focus on delivering additionality of investment and accelerating appropriate development activity in current economic context



Build resilient and sustainable places

focus on showing leadership in the shift to collaborative and place-based ways of working

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OUR LEADERSHIP TEAM

We are led and managed by a Leadership Team that provides strategic oversight across the organisation to drive forward our work.



Peter Reekie
Chief Executive

Peter leads SFT's work encompassing long-term strategy development across infrastructure sectors, structuring and managing multi-billion-pound investment programmes and making the best use of existing assets in the transition net a net zero economy.

Peter is a Fellow of the Institution of Civil Engineers and a Fellow of the Royal Society of Edinburgh.



Kerry Alexander
Director, Infrastructure Finance and Programmes

Kerry joined SFT from a professional services firm and is a chartered accountant with over 20 years' experience in public and private roles supporting infrastructure investment. Kerry leads on the following areas:

- Digital Connectivity
- Innovative Finance
- Learning Estate
- Net Zero Buildings
- Net Zero Transport
- Operational Contract Management



Colin Proctor
Director, Construction Industry and Delivery

Colin is a chartered surveyor and before joining SFT worked as a partner in a large international construction consultancy practice. Colin leads on the following areas:

- Improving Project Delivery
- Infrastructure Technology
- hub Programme



Tony Rose
Director, Strategy, Place and Economy

Tony has over 20 years experience in advising both the public and private sectors on the financial and commercial aspects of major infrastructure investment projects. Tony leads on the following areas:

- Asset Strategy and Workplace
- Infrastructure Strategy
- Place, Housing and Economic Investment
- Real Estate



Caroline Whyteside
Director, Corporate Services and Investments

Caroline is a chartered accountant and has over 30 years experience working both as a finance director and in senior corporate services roles across numerous sectors, including social housing, public sector infrastructure and local government.

Caroline leads on the following for:

- SFT investments (SFTi)
- Corporate Services – Legal, HR, IT, Comms, Finance and Office management

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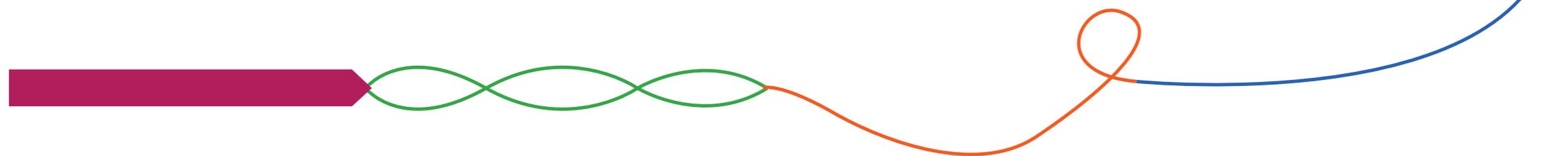
OUR VISION AND VALUES

In working towards our vision of:

WORLD CLASS INFRASTRUCTURE FOR THE PEOPLE OF SCOTLAND

everyone across the business shares four strong values:

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BOLD

Believing in what we do, with commitment and courage to enable successful outcomes

COLLABORATIVE

Sharing knowledge, experience and working in partnerships to achieve more for Scotland's communities

DYNAMIC

Accelerating positive outcomes by promoting innovation and being a catalyst for change

AMBITIOUS

Striving to excel and inspire by raising expectations

OUR STAFF

We employ a range of professionals across our teams that cover, architects, surveyors, net zero and telecoms specialists, designers, economists, engineers, accountants, lawyers, project managers, commercial property experts and financiers, all of whom innovate and deliver significant infrastructure programmes across Scotland.

Each team progresses their work with partners to deliver activities aligned with our ten infrastructure outcomes, making sure that they address each of our three corporate priorities.

Providing these teams with dedicated support is the backbone of the organisation, our Corporate Services division. Corporate Services provides expertise to the rest of the organisation on matters of finance, legal, HR, IT, communications as well as office management and administration.

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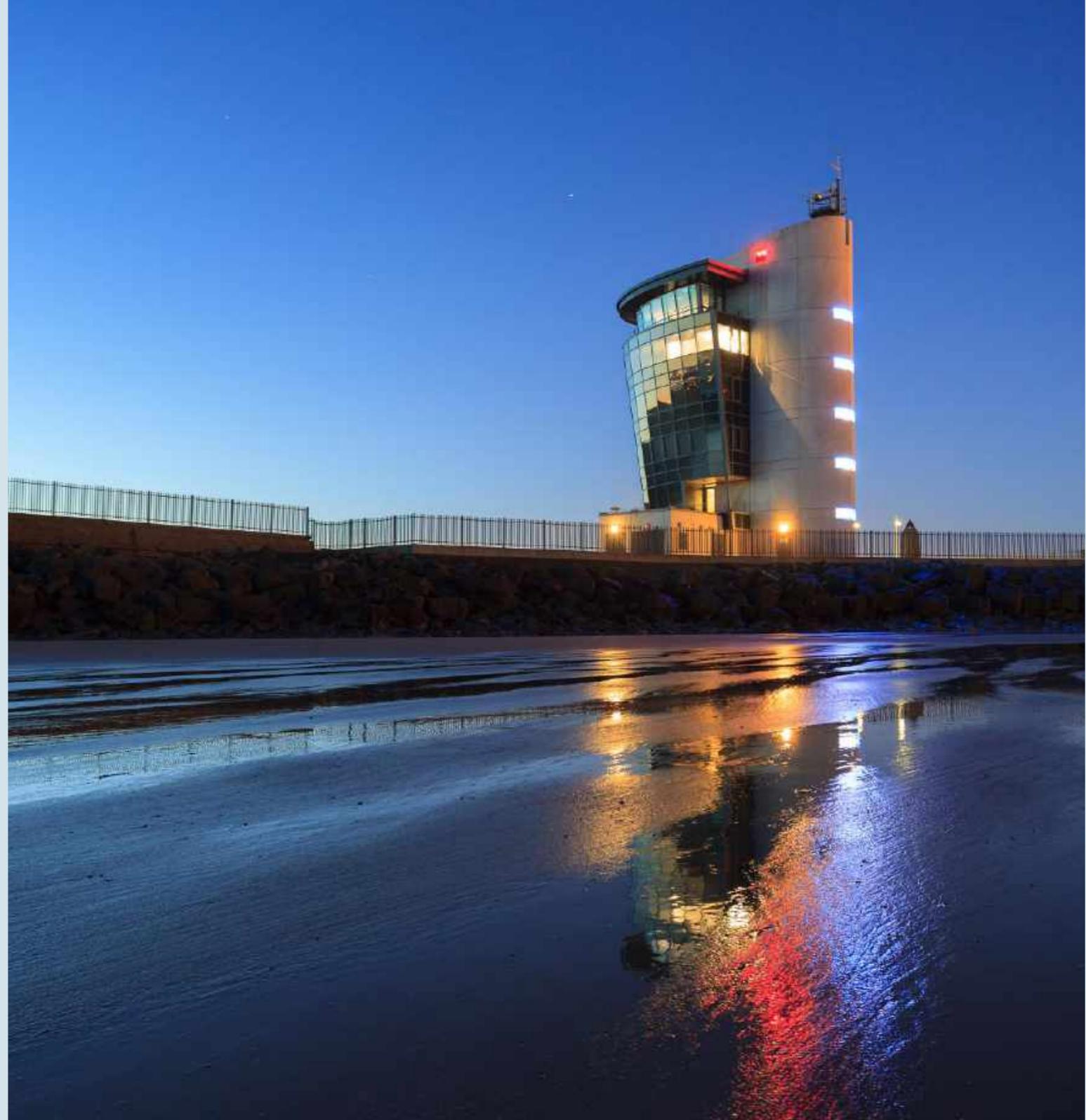


OUR BOARD

We are a limited company, operating as a non-departmental public body owned by Scottish Government. Our sponsor is the Deputy First Minister.

We are directed by an experienced Board made up of a non-executive chairman, six non-executive directors (three of whom joined the Board in January 2023) and our chief executive.

The Board also oversees SFT investments (SFTi) that manages the financial interests we have in our five hub companies, associated project companies and affordable housing partnerships.



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WORKSTREAMS

Across the following pages we have outlined the work we will carry out in collaboration with our many partners, to deliver improved outcomes from infrastructure. Each workstream has a focus on delivering inclusive economic growth, enabling the transition to net zero emissions and environmental sustainability, and building resilient and sustainable places right across Scotland and are grouped as follows:

FOCUS	FOCUS	FOCUS	FOCUS
Looking to the future to understand needs and develop long-term infrastructure and asset strategies aligned with national, local and service priorities	Taking policy into delivery. Preparing and structuring programmes of delivery including innovating in approaches to funding and financing, brokering collaborative arrangements and guiding place-based approaches	Managing the delivery of investment programmes across multiple organisations, and helping public sector organisations improve delivery of projects, to improve the market interface and continuously improve outcomes.	Making the most of existing assets for commercial and national outcomes, repurposing where required
Infrastructure Strategy	Innovative Finance	Learning Estate	Real Estate
Asset Strategy and Workplace	Digital Connectivity	hub Programme	Operational Contract Management
	Net Zero Buildings	Improving Project Delivery	SFT Investments
	Net Zero Transport	Infrastructure Technology	
	Place, Housing & Economic Development		



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INFRASTRUCTURE STRATEGY

READ

Supporting and advising the public sector on Scotland's long-term strategic infrastructure needs



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WORKSTREAM INFRASTRUCTURE STRATEGY

With our focus on long-term policy and planning, we were invited to provide Secretariat support to the work of the Infrastructure Commission for Scotland.

In the coming year, work will continue to implement Scottish Government’s route map to a more transparent and evidence-based Infrastructure Investment Plan. This includes the interconnected areas of: understanding Scotland’s long-term infrastructure needs; developing an improved approach to public engagement; and steps to progress an infrastructure prioritisation framework.

In addition, efforts will continue in support of Scotland’s spatial strategy, the National Planning Framework 4 and its delivery programme. We will work with wider delivery partners including Scottish Government’s new Place, Planning and Infrastructure Advisory Group, to address obstacles and facilitate delivery.

For the year ahead we will:

- Support the establishment of a systematic evidence-based approach to national infrastructure investment decision-making
- Support effective cross-sectoral collaboration, to facilitate improved outcomes and drive integrated planning, place and infrastructure policy delivery



Scottish Futures Trust
NPF4 Delivery Research Report



Filling the gaps in inclusive growth understanding



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WORKSTREAM



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ASSET STRATEGY AND WORKPLACE

Supporting the public sector
on their 'one public sector'
approach to improving
service delivery

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WORKSTREAM ASSET STRATEGY AND WORKPLACE

Our Asset Strategy and Workplace team continues to support Scottish Government deliver its asset strategy ambitions as set out in its 2021/26 Infrastructure Investment Plan (IIP).

The team is working with public sector organisations on the development of their asset strategies with an emphasis on the practical application of the IIP's investment hierarchy together with our Asset Strategy Guidance on a system's approach to guide future decision making.

The team works across the whole of Scotland on programmes, projects, and initiatives to progress the culture, practice, and benefits of place-based and the collaborative use of public buildings.

This work is supporting public service delivery as well as net zero, financial, sustainable place and inclusive growth outcomes across multiple locations.

Looking forward and working in collaboration across numerous public bodies, we are setting out a route-map towards a blended, future-focussed hybrid office estate. This builds on prioritisation of assets for sharing from a system's approach that supports distributed working.

We seek continued senior leadership commitment to change with a clear governance framework to support change in practice. Success is where communities and local economies are stronger, agile and more resilient with greater choices supported by a more joined-up, more enabling, and efficient public sector estate.

For the year ahead we will:

- Take forward a programme of work to embed the Asset Strategy guidance across the public sector. Our expertise in complementary workstreams will be leveraged to maximise the impact of this work
- Support the implementation of the Estate Strategy and refreshed Asset Plan for the Scottish Government core estate
- Promote collaboration and sharing space across sectors and places to enable a more effective and efficient public sector estate
- The New Frontiers for Smarter Working programme will continue with its guidance and co-ordination role of engagement across the wider public sector



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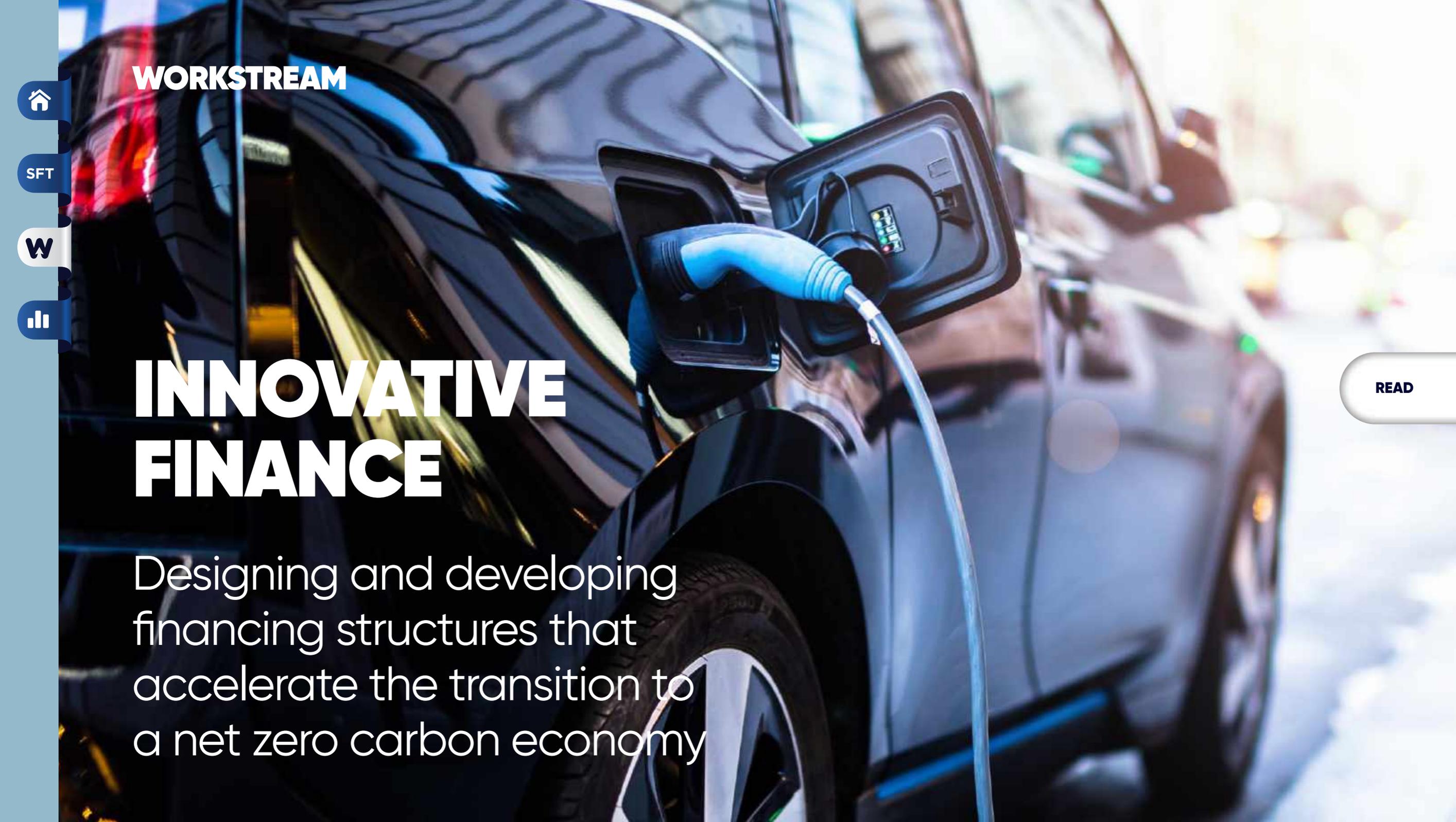


New Frontiers for Smarter Working is working



Supporting Scotland's emergency services deliver improved services from shared stations





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INNOVATIVE FINANCE

Designing and developing financing structures that accelerate the transition to a net zero carbon economy

[READ](#)

WORKSTREAM INNOVATIVE FINANCE

The Innovative Finance team uses a blend of commercial and financial skills to support infrastructure development and delivery particularly where financing structures are required to create the assets.

Our work looks across infrastructure sectors including public and private financing mechanisms for social infrastructure such as education, health and roads as well as an increasing focus on investment approaches to the new classes of infrastructure needed for the transition to net zero.

Opening up private investment into new assets to deliver on Scottish Government decarbonisation policy ambitions requires a significant effort in 'market making' to stimulate both supply of and demand for these new assets in parallel – with part of this work to clarify the complementary role for public grant and other government intervention.

The common denominator is to create investible propositions for public, private and blended investment into Scotland's infrastructure needs, identifying the necessary revenue streams which will be required to deliver a return on investment.

It may also be possible to drive additional investment through existing, well understood, financing models with established user income streams such as the Regulatory Asset Base and Contract for Difference. This may also require both understanding and influencing any reforms to these models being proposed in key sectors of the economy.

For the year ahead we will:

- Develop and apply emerging funding and financing business models to catalyse new net zero markets and expand existing ones that drive inclusive economic growth
- Provide ongoing commercial support on revenue funding mechanisms and reporting on revenue funded public infrastructure projects



Developing the strategic case for electric vehicle infrastructure





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DIGITAL CONNECTIVITY

READ

Exploring new technologies to deliver better digital connectivity to stimulate economic growth, social inclusion and reduce carbon emissions

WORKSTREAM

DIGITAL CONNECTIVITY

There is a programme of activity across the private and public sector to deliver fibre and 4G/5G mobile connectivity over the next three years. We will continue to support the efficient and holistic delivery of this activity, but will also look to the future.

Developing a position on what is needed and what technology will be available to service inclusive growth in Scotland post 2027, is yet to be determined.

Scottish Government has asked us to explore what the future focus of digital connectivity should be for two connectivity pillars:

- Advanced wireless connectivity, and
- Extending 'terrestrial' fibre which is the area of fibre often referred to as the core backbone network for Scotland's connectivity

We will look at how this can be delivered in a way that utilises technology and regulatory developments, whilst contributing to the delivery of wider economic and societal outcomes.

For the year ahead we will:

- Explore and develop options for extending advanced wireless connectivity across Scotland that facilitates sustainable and inclusive outcomes and optimises existing investment/committed funding
- Continue to identify challenges that impact the efficient deployment of mobile infrastructure in Scotland, identify best practice methods for overcoming these challenges and create exemplary national and sustainable tools, to make Scotland an attractive and efficient location to deploy
- Identify, explore and facilitate options to increase the use of the road, rail and utilities network to further the terrestrial network fibre so as to be able to be utilised by connectivity providers
- Provide strategic support to Scottish Government in evolving the Green Data Centre Vision and Action Plan including the transition of the support offering to the datacentre and sub sea cable industries
- Support the development of the digital infrastructure portfolio benefits framework and metrics that enables a wellbeing economy



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Infralink Exchange Playbook

4G infill programme plugging the gaps



NET ZERO BUILDINGS

Working with partners on the decarbonisation of buildings

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WORKSTREAM NET ZERO BUILDINGS

We are committed to working with partner organisations on the decarbonisation of Scotland’s buildings. This work is underpinned by Scottish Government’s Heat in Buildings Strategy, which is a key driver for both decarbonising heat and ensuring our buildings consume less energy.

Working towards that goal, we will seek to create an environment where Scotland can attract the scale of investment that is needed from the private sector into areas such as heat networks. We will also facilitate the development of innovative private sector-led financial solutions for our homes and buildings.

In doing so, we believe it is important the heat sector creates green jobs, improves the environment and supports increased wellbeing. To deliver Scotland’s ambitious 2045 climate change target, the public sector must show leadership and demonstrate, through its own estate, what can be achieved.

We will help drive the change that is needed by both supporting project development and also, drawing upon the lessons from what has gone before to provide the right tools and guidance, for example, we will continue to promote the benefits from the Net Zero Public Sector Building Standard.

For the year ahead we will:

- Provide support to the deployment of heat networks in Scotland via; the Heat Networks Support Unit; input on regulation to implement the Heat Networks (Scotland) Act 2021; and, the development of delivery models
- Work closely with the Green Heat Finance Taskforce, including providing a co-secretariat role, and facilitate the implementation of the recommendations from the interim and final reports
- Support Scottish Government in their ambition to decarbonise the public sector estate by 2038 by encouraging the adoption of the Net Zero Public Sector Buildings Standard (for new and existing buildings)
- Provide Programme management expertise to support Scottish Government’s Heat in Buildings Programme



New archive facility to benefit from Net Zero Public Sector Buildings Scotland



Net Zero expertise supports development of UK’s largest water source heat pump



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NET ZERO TRANSPORT

Developing approaches for the financing and delivery of EV charging infrastructure

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WORKSTREAM NET ZERO TRANSPORT

The transport sector is a significant source of carbon dioxide emissions.

Our Net Zero Transport team is working across key areas in helping to deliver some of Transport Scotland's policy objectives to reduce these emissions. This work aligns closely with our corporate priority of accelerating the transition to a net zero carbon economy.

We are working with private sector electric vehicle chargepoint operators to support accelerated investment in the public network in Scotland. Our work also includes bringing programme management skills and sector expertise to supporting the delivery of the Electric Vehicle Infrastructure Fund. The Fund provides £30m of grant to local authorities to work with the private sector to fund the roll out of more chargepoints in locations where the private sector is not expected to invest independently.

We are looking ahead to the work required to support greater private investment into the electrification of heavier vehicles, such as buses and lorries.

For the year ahead we will:

- Work with Transport Scotland, public bodies and the private sector to accelerate the roll out of more EV chargepoints to support public charging and public sector fleet charging
- Support Transport Scotland to optimise private investment to accelerate decarbonisation of the bus sector and consider the best approach for decarbonisation of HGVs and public sector fleet



Providing expertise that supports local authorities' EV infrastructure investment plans



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PLACE, HOUSING AND ECONOMIC INVESTMENT

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Attracting investment to deliver more housing and supporting public bodies with place-based approaches



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WORKSTREAM PLACE, HOUSING AND ECONOMIC INVESTMENT

The past few years have tested Scotland's resilience, making everyone think more about the relationships we have with the places and environments where we live and work, the strength and capabilities of our communities and businesses and how we access the services we need, when we need them.

Responding to this challenge and how we combine these relationships to deliver integrated investment and development opportunities, is very much our focus.

To do this, we look to enshrine 'Place' in our and our partners' thinking and develop and deliver solutions to ensure the outcomes we want are achieved; within Housing and Economic Investment, this includes thinking about delivery structures and approaches for projects, through to creating new funding and financing solutions to enable activity, through to understanding how our investment decisions make a difference and positively contribute to Scotland's future.

Essentially, through this activity we want to ensure additionality: there are more ways to deliver the housing and economic opportunities that will underpin Scotland's future.

For the year ahead we will:

- Continue our Place based programmes and investment activity with key partners across the public sector including support to the Place Based Investment Programme and the Islands Programme
- Support at least three strategic initiatives that strengthen places and contribute to local and national economic growth
- Continue to advance the delivery of Green Growth Accelerator by reaching Full Agreement with at least two projects
- Continue to explore and/or advance the development of new approaches for the delivery of homes of different types and tenures reflecting local need and the use of different funding and financing options
- Continue to provide ongoing support to SFTi including the transition of the National Housing Trust (NHT) portfolio through operations of the existing NHT Limited Liability Partnerships and the related exit process, and operation of the two existing Housing Delivery Partnerships



Growth Accelerator sees Stornoway deep water terminal get underway



Developing a 'how to' guide to deliver the Place principle



Edinburgh Living - expansion of mid-market rent homes



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LEARNING ESTATE

[READ](#)

Supporting and managing investment in Scotland's learning estate





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WORKSTREAM LEARNING ESTATE

In recent years, our focus has been on the development and delivery of Scottish Government's £2bn Learning Estate Investment Programme (LEIP) which is providing new and redeveloped learning environments for 50,000 pupils across Scotland.

Supported by an innovative outcomes-based funding approach which we developed on behalf of Scottish Government and COSLA, the programme is enabling the transition to net zero emissions and environmental sustainability, driving inclusive economic growth, and building resilient sustainable places which maximise benefits for communities.



The year ahead will bring a continued focus on LEIP as more projects start construction, and others complete and open to learners and teachers. The programme will take a big step forward in realising its ambitions and achieving those critical outcomes.

Alongside LEIP, the early learning and childcare expansion programme has been delivering new and improved environments for early learners across Scotland.

This year, most of the remaining projects planned to support the expanded service will open.

Alongside partners, our infrastructure expertise aims to support positive outcomes for children, families, and their communities.

For the year ahead we will:

- Manage the delivery of the Learning Estate Investment Programme, by embedding programme processes, initiatives, and outcomes based funding across all project stages
- Work with local authorities and delivery partners to support the design and technical development and delivery of the Learning Estate Investment Programme

- In relation to the Early Learning and Childcare, monitor the delivery of the remaining infrastructure aspects of the 1140 early learning and childcare expansion programme and support the refresh of Space to Grow guidance in collaboration with Scottish Government and the Care Inspectorate
- Provide strategic input and infrastructure expertise to support the development of the wider learning estate

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Imaginative approach to deliver early learning programme




Campus approach to education delivers seamless transition for 3-18 year-olds



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HUB PROGRAMME

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Delivering community
infrastructure projects
across Scotland



WORKSTREAM HUB PROGRAMME

The long-term nature of hub has provided an excellent platform for introducing and embedding emerging practices and driving improvement by sharing experience across the Programme.

Improvement initiatives that will continue to have a focus this year include construction quality, supply-chain payment, cost management and fair work.

We will also drive improvement in the strategic approach taken to the development of new projects, applying Place principles, and better project briefing, while encouraging a commitment of all stakeholders to the pursuit of the net zero inclusive growth agenda.

For the year ahead we will:

- Continue to manage the programme level operation of hub, including enhancement of assurance activities, supporting development of new areas of work, and dissemination of shared learning to enable continuous improvement
- Work with hub Programme stakeholders to enhance the approach to early project development. Disseminating learnings and increasing this activity across the Programme.



Place as a guiding principle across hub North

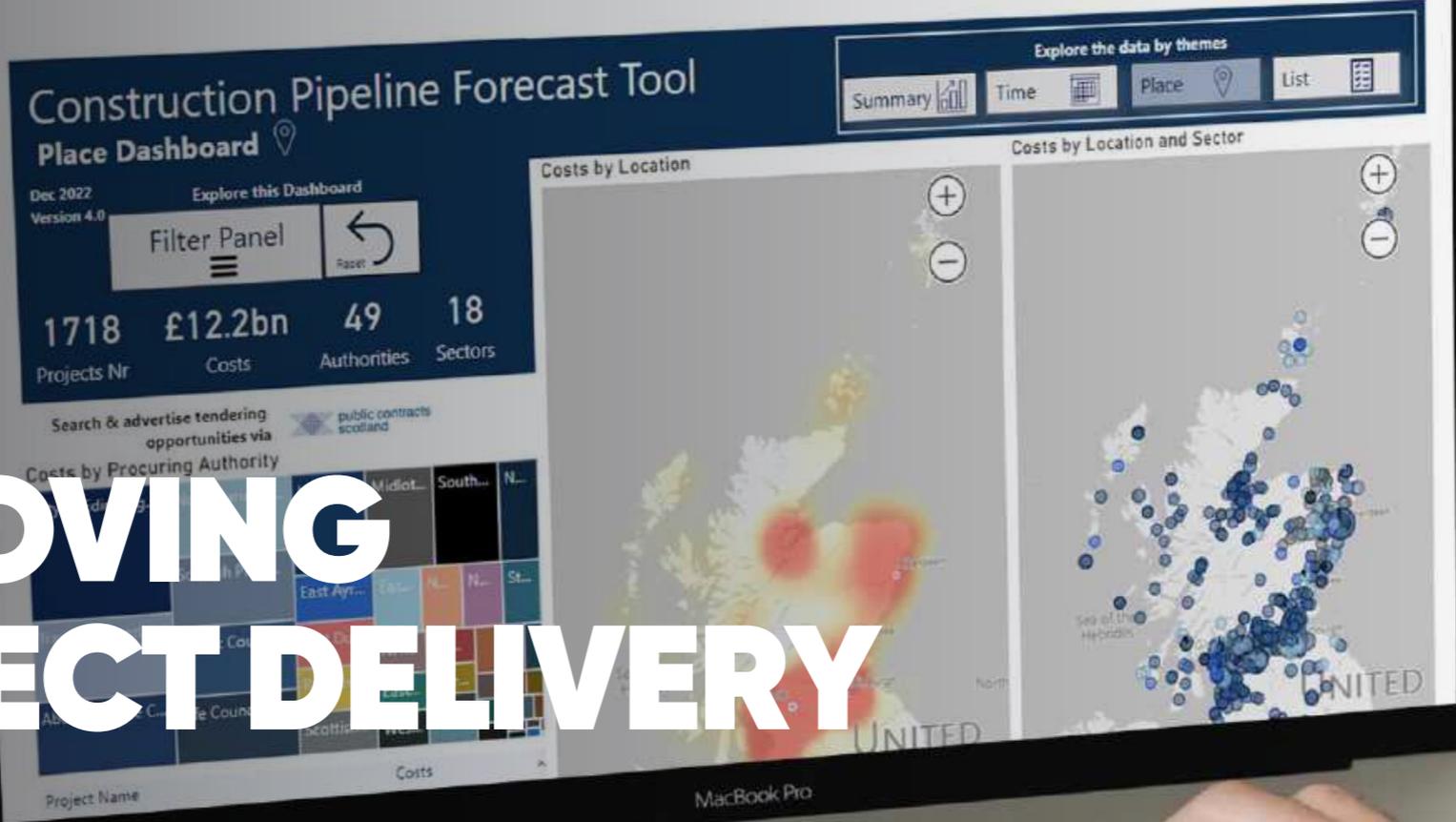
hub Programme supporting Building for Growth

- Enable implementation of key improvement initiatives on construction quality, payment through the supply chain, cost management, and fair work across the Programme

WORKSTREAM



Welcome to the Construction Pipeline Forecast Tool
The forecast tool and data can be viewed via the interactive dashboard below.



IMPROVING PROJECT DELIVERY

[READ](#)

Helping the public sector improve delivery of projects



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WORKSTREAM IMPROVING PROJECT DELIVERY

This area of work provides support to the public sector and industry to enable them to operate effectively and efficiently together and improve project delivery and asset performance.

In delivering this work, we are involved at a national, organisational, thematic, sector, programme, and project level.

This will lead to the delivery of improved outcomes for the construction industry and enhance the contribution that improved infrastructure makes to resilient sustainable places, and an inclusive net zero carbon economy.

We will continue to align our work to the Scottish Construction Accord, which provides a collective ambition for the construction sector. The transformation work to follow will provide co-ordinated activities to support lasting change.

For the year ahead we will:

- Support the development and implementation of the Scottish Construction Accord Transformation Plan
- Progress with partners the work on developing and implementing initiatives on setting up projects for success, improving briefing and evaluation, and the enhanced role of consultancy to improve outcomes
- Work with partners to take forward the implementation of the Construction Quality Improvement Collaborative (CQIC)
- Continue to support housing partners develop new approaches for the delivery of new affordable homes focussing on the increased use of off-site construction and explore opportunities for modern methods of construction in other sectors
- Maintain and develop data and insights tools in key areas for improving delivery, including the Construction Industry Pipeline Forecast Tool, and Community Infrastructure Cost and Carbon Benchmark Database



A framework for getting it right from the start



Modern methods of construction delivering on net zero agenda for housing



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INFRASTRUCTURE TECHNOLOGY

Maximising opportunities for digital change in project delivery and asset performance

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WORKSTREAM INFRASTRUCTURE TECHNOLOGY

Our work in digital and data management has created a centre of expertise, which works across the public sector and industry sectors in the built environment.

This year, there will be an increased focus on asset performance and analytics. This will build on the success of the work already developed in this area, including the use of advanced technologies.

Within the planning and construction phase of developing buildings, we will continue to focus on embedding a national approach to information management and modelling of our built environment. This will enhance the platform for digital change across Scotland's construction sector, supporting a range of improvements in programme and project delivery.

We will also implement a new standard for digital information at building handover stage that aims to create the right conditions for successful lifecycle operations and maintenance.

With a focus on the operational and management stages of the public sector estate, we will lead the development of capabilities in digital twin technologies to enable better use of our existing infrastructure, improve usage optimisation and help meet our net zero targets through digital and data-led insights.

And we will continue to facilitate shared learning across the public sector to enable a new digital and data capability within the built environment, to deliver improved performance and outcomes.



For the year ahead we will:

- Maintain leadership and continue to provide support for the implementation and scaling of digital and data-led strategies and solutions within the planning, design, and construction stages of projects
- Maintain leadership and continue to provide support for the implementation and scaling of digital and data led strategies and solutions to support asset performance and analytics

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Using technology to support a building's performance



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REAL ESTATE

Developing strategies for the sale and reuse of surplus public sector buildings and land to secure financial returns to the public sector

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WORKSTREAM REAL ESTATE

Our Real Estate team will continue to work with public sector partners on short, medium and longer-term strategies for the sale and reuse of surplus assets, both in relation to those currently identified as surplus and on rationalisation options leading to further disposals that are in-keeping with the principles of Scottish Government’s Infrastructure Investment Plan.

This work will deliver financial returns and savings to the public sector as well as, where appropriate, identify opportunities for collaboration, estate modernisation, and wider economic and place-based outcomes.

In addition to providing commercial and real estate support to public sector partners, the team will also support the progression and delivery of Scottish Government’s strategic projects and programmes.

This work will focus particularly on asset based opportunities to help unlock inclusive economic growth and investment from both the public and private sectors, including major development projects, vacant and derelict land and support for the regeneration of town centres.

For the year ahead we will:

- Work with public bodies to progress strategies to secure value from existing surplus assets and develop strategies for the potential disposal and reuse of real estate resulting from refreshed asset or estate strategy reviews
- Working with public sector partners, provide commercial and real estate support to enable the delivery or unlocking of the economic potential of projects including progression of Place Based Investment Programme activities



Former city centre children's hospital given new lease of life.



Delivering additional financial receipts back to the public sector



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A photograph of a hospital hallway with a gurney in the foreground. The hallway is brightly lit with overhead lights. The gurney is white and has a green blanket on it. The floor is blue and white. The walls are white and have doors. The ceiling has recessed lighting.

WORKSTREAM



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OPERATIONAL CONTRACT MANAGEMENT

Supporting public bodies identify where increased value and savings can be secured

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WORKSTREAM OPERATIONAL CONTRACT MANAGEMENT

Our Operational Contract Management team provides commercial and technical support to the public sector in the management of their Public Private Partnership (PPP) estate.

The aim of the team is to support efficient and effective management of PPP assets to support service delivery.

This work includes supporting seven collaborative groups across Scotland and more widely, providing specific guidance on key operational issues, briefings on specialist technical and contractual matters and sharing of best practice across public bodies in Scotland.

Key focus areas for the team during this year include:

- Maximising exiting relationships with our extensive public and private sector network to promote early end of contract preparations, and a collaborative approach between public and private stakeholders, to help to ensure a successful end of contract expiry; and
- Actively promote our guidance on pathways to net zero for assets delivered under PPP contracts that provides public and private

sector stakeholders with relevant commercial and technical guidance on how to adopt a systematic approach to the delivery of a net zero transition within Scotland's PPP/PFI sector and help engender a step change in attitudes towards energy use in the built PPP/PFI environment

The team delivers its support to NHS Scotland's PPP estate in a joint arrangement with Health Facilities Scotland.

For the year ahead we will:

- Continue to provide support to education and health PPP projects within the PPP Handback process through the development and use of templates for Readiness Reviews; direct engagement with individual authorities and via forums; and, publishing a guidance note on data transfer at handback of projects
- Continue to support the journey to net zero carbon for education and health PPP projects, by supporting the two PPP pilot projects to progress to the implementation stage; carrying out three operational energy management reviews within health PPP projects; supporting

a project to align its Handback outcomes with the authority's broader net zero planning; and, participating and sharing in approaches to net zero buildings across other workstreams

- Continue to support and develop the PPP collaborative groups (covering health and education PPP projects) to provide strategic and individual project specific support on operational PPP projects

NEXT

PPP schools to be handed back in good order

The infographic features a circular chart with segments in various colors (red, orange, yellow, green, blue, purple) and text detailing the progress of handing back PPP schools. It includes a title, a subtitle, and several bullet points or paragraphs of text.

WORKSTREAM



SFT

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SFT INVESTMENTS

[READ](#)

Investing in infrastructure companies, assets, and projects across Scotland





SFT

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WORKSTREAM SFT INVESTMENTS

SFT investments (SFTi) is our investment arm which manages the financial investments we have made in the five hub companies (hubCos) and the 41 revenue-funded, design, build, finance and maintain (DBFM) education and health care projects developed by the hubCos.

Over the next 12 months, we will work closely with all our stakeholders supporting the development and success of the hubCos as they seek to deliver improved infrastructure outcomes for their local communities.

Central to development and delivery will be a focus on the desired outcomes of our public sector partners and SFT's corporate priorities of net zero, inclusive economic growth and resilient and sustainable places.

The 41 DBFM projects are fully operational and generating returns for the business. We will continue to manage the portfolio of DBFM investments ensuring, where relevant, that base case target returns are delivered to SFTi.

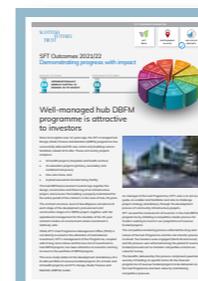
Also, working closely with SFT colleagues and through board representation in project companies, we will seek to influence and develop approaches to assist our local authority and NHS partners in their transition to net zero.

Through the National Housing Trust (NHT) programme and Housing Delivery Partnerships (HDPs), SFTi also holds investments in various housing Limited Liability Partnerships.

Over the next 12 months we will continue to manage these investments with key partners through their lifecycle, supporting exits where relevant for NHT and consider the opportunity of purchasing more homes through existing HDPs as well as expanding its approach.

For the year ahead we will:

- Support the continued development and success of the hub companies, to deliver improved community infrastructure outcomes and protect SFTi's shareholdings
- Manage the portfolio of DBFM investments ensuring, where relevant, that base case target returns are delivered to SFTi. In addition, develop approaches which SFTi can utilise across the DBFM investment portfolio, to encourage the move to net zero carbon



Well-managed hub DBFM programme is attractive to investors



NEXT

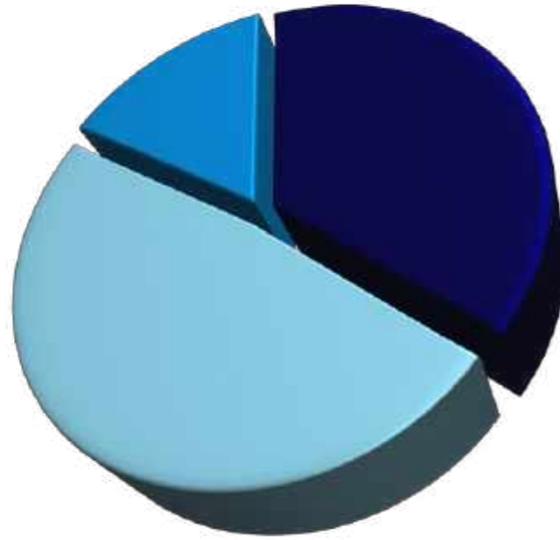


SFT



BUDGET & SUMMARY 2023/24

Our operational budget for 2023/24 is £9.9m and comes from the following sources:



● Scottish Government Core Grant	£3.6m
● Scottish Government Programme Grant	£4.8m
● Net Investment Income	£1.5m
TOTAL	£9.9m

In what will be another challenging year, this Business Plan sets out the wide range of activities on which our talented teams will collaborate with our many partners from across industry, central and local government to maximise the economic, social and environmental outcomes from infrastructure across Scotland.

In delivering that work, our teams are focused on making positive contributions towards the ten infrastructure outcomes we set out in our 2019-2024 Corporate Plan and which contribute towards Scottish Government's National Performance Framework that is linked to the UN's Sustainable Goals.

Pressures on costs and budgets will continue for the foreseeable future. That context presents an opportunity, born of necessity, to refine approaches to prioritisation which focus resources on national priorities, to innovate in the way infrastructure is funded, financed and delivered to get the most and the best from the resources we have, and to ensure all our assets are working hard for communities and places across Scotland.

The Scottish Futures Trust brings a vital cross-sectoral perspective to these opportunities, collaborating broadly to ensure the best outcomes are achieved for people and places which contribute to our vision of **world class infrastructure for the people of Scotland.**

If anything in this Business Plan stimulates your interest, please do get in touch via mailbox@scottishfuturestrust.org.uk