

Housing and Economy Committee

10.00am, Thursday, 7 June 2018

MIPIM – Monitoring and Future Planning

Item number	7.12
Report number	
Executive/routine	Executive
Wards	All
Council Commitments	None

Executive summary

This report updates members on Edinburgh's engagement at MIPIM 2018. It provides details of the number meetings and events attended, the types of investors and developers contacted, and the progress made in following up with these contacts.

The report also explores options for the way in which Edinburgh could be promoted at MIPIM in future years.

MIPIM 2018 – Monitoring and Future Planning

1. Recommendations

- 1.1 It is recommended that the Committee:
 - 1.1.1 Notes the approach taken at MIPIM in 2018 and the follow-up activity and tracking approach that is being taken; and,
 - 1.1.2 Notes that there are five options for future involvement in MIPIM in future years (outlined in paragraph 3.8); and
 - 1.1.3 Decides on their preferred option for future involvement at MIPIM; and
 - 1.1.4 If the Committee decides that Edinburgh should continue to participate, approves the Executive Director of Place progressing discussions with Scottish Government on the potential to work with them, and potentially other local authorities, at future MIPIM events.

2. Background

- 2.1 MIPIM – '*Marché International des Professionnels d'Immobilier*' was established in 1990 and is a major European real estate and investment conference and exhibition. Hosted in Cannes every year it attracts over 20,000 attendees to 20,000 sqm of exhibition space filled by over 3,000 exhibiting companies from over 100 countries. Amongst those attending it is estimated that there are approximately 5,000 investors, as well as key representatives from cities and regions.
- 2.2 The Council has sent representatives to MIPIM for many years. Attendance forms part of the Council's programme of investor outreach and investor support and includes a programme of meetings with known and new investor contacts. Contacts established and renewed during the event are kept in touch with on developments and opportunities in the city throughout the year via the Invest website, magazine, newsletter and social media news. MIPIM also provides an opportunity to gain intelligence on investment trends and forecasts which may impact on Edinburgh. A 'Team Edinburgh' approach is taken, linking to the wider Edinburgh development community attending to ensure a joint approach wherever possible.
- 2.3 The approach taken this year at MIPIM was report in at the March where the Committee asked for further detail on the types of organisations with which contact was made, what the likely outcomes might be, and the approach that could be taken in future years.

3. Main report

Investor Engagement

- 3.1 The key development opportunities discussed were the BioQuarter, the Waterfront and West Edinburgh, all of which are identified as significant growth opportunities in the Council's Local Development Plan (LDP) and already promoted through Invest Edinburgh.
- 3.2 Council officers attended over 40 meetings and events and made contact with numerous investors, developers and service providers as well as representatives from other cities. This included officers speaking at events and sitting on question and answer panels. Appendix 1 contains a tracker showing the types of organisations met and the follow up activity along with any positive outcomes as a result. Follow up discussions are at an early stage but notably two significant investor/developers have indicated that they are interested in specific opportunities in Edinburgh.
- 3.3 The names of the companies have been redacted in order to maintain the commercial confidentiality of the conversations at these meetings and events.
- 3.4 The contacts made and relationships developed at MIPIM will continue to be tracked along with any resulting outcomes.

Approach to be taken in future years

- 3.5 There are numerous ways in which cities or countries promote themselves at MIPIM. These range from high impact and a strong promotional presence through to simply being in attendance and of course some countries and cities choose not to attend at all. The approach taken often depends on what a particular city or region wants to achieve and what it has to offer in the way of real estate investment opportunities. There are also clear financial and resource implications associated with the approach taken and some cities spend hundreds of thousands of pounds/euros on their activity at MIPIM.
- 3.6 Cities that are regional or national capitals like Edinburgh tend to have a strong presence although in many cases the scale of development and investment opportunity that these cities have is greater. UK cities like London and Manchester often have beachside marquees built with their own event programmes and in addition often have stand-alone events in the hotel and conference facilities elsewhere in Cannes.
- 3.7 In order to compete, Edinburgh has traditionally teamed up the other Scottish cities through the Scottish Cities Alliance and has worked with the Scottish Government and its agencies. This has proven effective to be an effective strategy from the point of sharing resource and costs while maximising impact

although arguably more could be done. While Scotland is a small country it is internationally renowned and therefore using the 'Scotland' brand can be effective in generating interest. There does, however, need to be a strong emphasis on cities and in particular regional and national capitals. Investors will generally target their investment at cities that meet their investment criteria and want to establish direct relationships with cities in order to explore opportunities.

3.8 Turning to the options for future MIPIM events, the following five options have been outlined for the purposes of discussion with indicative cost ranges attached:

3.8.1 No attendance – The Council may wish not to attend the event and essentially rely on other strategies for attracting inward investment to the city. There would be no direct financial implications but there may be some negative impact on the way in which the city is perceived by investors.

Cost Range – No cost implications.

3.8.2 Attendance only – This would be an approach similar to that which was taken this year, where representatives of the Council attend and arrange to meet with investors while at MIPIM. By agreeing to speak at the events being hosted by other cities or by investors there is the opportunity to 'piggy back' on these events and promote the city. This approach is relatively low cost but retains a presence and keeps the focus on developing relationships with potential investors.

Cost Range – £2,000-3,000 per person for flights, hotel and conference passes.

3.8.3 Attendance and event – This would be similar to the above option but with one key event planned that would focus on Edinburgh and the opportunities in the city. This would allow the Council to target a wider audience and would have a bigger impact. It would cost more money and would be a more resource intensive approach.

Cost Range – As above for delegates and additional cost range of £5,000 to £10,000 for booking event space, audio visual support, hospitality, promotion, and arranging speakers.

3.8.4 Attendance, event and stand (Edinburgh only) – This would be the same as the above option but with the addition of a stand within the conference venue. This would cost more again and would require significantly more planning and would be more resource intensive while in attendance at the event. This is a more challenging environment to compete in as the bigger cities, as indicated above, tend to spend more on their event space and secure the prime sites within the conference venue.

Cost Range – As above for delegates and event. The cost of a stand could range from approximately £20,000 to several hundred thousand pounds based on scale and location.

- 3.8.5 Attendance, event and stand (Edinburgh and Scotland) – This is similar to the option above but pooling resources with other Scottish cities and government agencies would help to mitigate cost while also generating a bigger impact.

Cost Range – As above but with cost sharing amongst partners.

- 3.9 Assuming that the Council wishes to continue attending MIPIM, then collaborative working with the rest of Scotland would be recommended, while ensuring a strong 'Edinburgh' profile is retained. It is proposed that the Executive Director of Place progresses this through discussion with the Scottish Government and other local authorities.

4. Measures of success

- 4.1 The measures of success are:
- 4.1.1 The development and investment opportunities within Edinburgh promoted and market tested; and
 - 4.1.2 Inward investment secured as a result of the contacts made and relationships developed while at MIPIM.

5. Financial impact

- 5.1 This report is for noting and discussion only. Accordingly, there are no direct financial impacts arising from this report. Any further report setting out a firm proposal for MIPIM 2019, based on feedback from the Committee, would provide details of the cost of attendance.

6. Risk, policy, compliance and governance impact

- 6.1 This report is for noting and discussion only. Accordingly, there are no direct risks, policy, compliance or governance issues arising from this report.

7. Equalities impact

- 7.1 This report is for noting and discussion only at this stage. There are not considered to be any equalities impacts arising.

8. Sustainability impact

8.1 This report is for noting and discussion only at this stage. There are not considered to be any sustainability impacts arising.

9. Consultation and engagement

9.1 This report is for noting and discussion only. There is not considered to be any need for wider consultation or engagement at this stage. Further discussions on future approaches at MIPIM will be developed through discussion with private and public sector partners including the Scottish Government and the Scottish Cities Alliance.

10. Background reading / external references

10.1 None.

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11. Appendices

Appendix 1 – MIPIM Contact Tracker

Organisation	Type	Currently Active in Edinburgh	Follow-up Activity	Outcomes
Company A	Investor	Y	Email exchange.	Mutual objectives on key sites updated and clarified.
Company B	Investor	Y	Email exchange.	Indication of interest in further investment in Edinburgh.

Company C	Investor	Y	Email exchange.	Better understanding of shared objectives, particularly in build to rent and technology investment.
Company D	Investor	Y	Email exchange.	None as yet.
Company E	Investor	Y	Email exchange and follow up discussions.	Discussion on use of property for social enterprise.
Company F	Investor/Developer	Y	On-going discussions.	Clarified position on future investment
Company G	Investor/Developer	Y	On-going discussions.	Shared mutual development objectives
Company H	Investor/Developer	Y	Email exchange. And follow up meeting.	Indication of interest in further investment in Edinburgh.
Company I	Investor/Developer	N	Email exchange. And follow up discussions.	Submission made in response to soft market testing at India Quay (Plot E2).
Company J	Investor/Developer/ Operator	N	Email exchange. And follow up meeting.	Considering investment option in Edinburgh.
Company K	Investor/Developer	N	Email exchange.	Indication of interest in further investment in Edinburgh.

Company L	Investor/Developer	N	Email exchange.	None as yet.
Company M	Investor/Developer	Y	Email exchange.	None as yet.
Company N	Investor/Developer	Y	Email exchange.	Shared understanding on company investment model, particularly on affordable housing development
Company O	Service Provider	Y	Email exchange.	Shared Learning on major city centre redesign
Metropolitan Region Amsterdam	City/ Municipality	N/A	Email exchange.	Waterfront infrastructure models information exchange
Stockholm	City/ Municipality	N/A	Email exchange.	Detailed discussion on re use of disused industrial assets
Waterfront Cities Network	N/A	N/A	Telephone Discussion.	Potential for Europe wide actual and virtual network agreed.