

Housing, Homelessness and Fair Work Committee

10.00am, Thursday, 29 August 2019

MIPIM 2019 - Evaluation

Executive/routine	Executive
Wards	All
Council Commitments	1, 2, 4 and 10

1. Recommendations

- 1.1 It is recommended that the Committee:
 - 1.1.1 Notes the evaluation of the Council's attendance at MIPIM 2019.

Paul Lawrence

Executive Director of Place

Contacts:

Elaine Ballantyne, Service Manager, Investment and International Relations

E-mail: elaine.ballantyne@edinburgh.gov.uk Tel: 0131 469 3854

David Cooper, Service Manager, Development

E-mail: david.cooper@edinburgh.gov.uk Tel: 0131 529 6233

MIPIM 2019 - Evaluation

2. Executive Summary

- 2.1 This report provides an evaluation of the Council's attendance at MIPIM 2019 as part of a 'Team Scotland' approach and sets out the planning underway for attendance at next year's event.

3. Background

- 3.1 MIPIM is a major real estate and investment conference, taking place annually in Cannes, France. Edinburgh has used MIPIM over the last ten years to profile the city's investment opportunities, gain intelligence on investment appetite, sources and flows of investment, benchmark the city's attractiveness to investors, and to nurture and increase investor relationships.
- 3.2 In attending the event this year the Council worked with the Scottish Government and other Scottish cities and key agencies to deliver a new, three year strategy to maximise Scotland's presence and value from engagement at the event.

4. Main report

Attendance at MIPIM 2019

- 4.1 Edinburgh attended the event this year as part of 'Team Scotland' achieving a high profile and providing a strong platform from which the city could be promoted. The event was considered a success (see Appendix 1) and allowed for a far greater impact than might otherwise have been achieved.
- 4.2 The Council's Development Manager and Investment and International Relations Manager were both closely involved in the organisation of the event and attended the event to support the delivery of the programme along with representatives from the other project partners. The Council's Leader, Deputy Leader, Chief Executive and Executive Director of Place attended as ambassadors for the City and took the opportunity to promote Edinburgh.
- 4.3 The promotion of the city focused on three key propositions as follows:

Data Driven Innovation

4.3.1 Partnership working between the Council, the NHS, the University of Edinburgh and Scottish Enterprise is taking forward development in the BioQuarter, the Innovation Corridor and surrounding area. The commercial development opportunities that were promoted under this theme are at the BioQuarter and the Council's procurement of a development partner for Fountainbridge.

Waterfront Regeneration

4.3.2 The Council promoted Edinburgh's Waterfront and the various development opportunities in the area. Considerable focus was placed on the opportunity that the Council has created by consolidating land holdings in the Granton Waterfront area to create a single cohesive regeneration opportunity of a scale attractive to major institutional investors.

West Edinburgh Expansion

4.3.3 The Council promoted the significant development opportunities that exist in West Edinburgh. There was a focus on the current work with private and public sector partners in developing infrastructure delivery mechanisms and that the area is now starting to see investment activity again.

4.4 These three core propositions each formed the basis of an event session in the Scotland Pavilion with presentations given by Council attendees along with industry representatives. In addition, Council attendees also attended and contributed to other sessions in the event programme both within and outwith the Scotland pavilion including:

4.4.1 Pre-MIPIM investor events organised by the Department for International Trade;

4.4.2 Panel sessions hosted by other UK cities or companies; and,

4.4.3 Investor dinners and receptions at the event.

4.5 As agreed at the 21 January 2019 meeting of the Housing and Economy Committee the evaluation focusses on two key areas: performance at the event itself and outcomes for the city. Appendix 1 shows the results that have been achieved. These are Scotland level results.

4.6 In relation to the event itself the performance was strong and the measurements of success are shown in Table 1 of Appendix 1. The pavilion space was well designed and delivered, and along with a wide ranging programme of activity and promotion, Team Scotland managed to:

4.6.1 Promote Scotland and in particular the Scottish cities as hubs of investment;

4.6.2 Secure sponsorship from private sector companies in excess of the £120,000 target set;

4.6.3 Attract 576 visitors of whom 283 were at director level or above to the Scotland pavilion;

4.6.4 Help secure new work and investment (or prospective new work and investment) for the Scottish companies who sponsored the event; and,

4.6.5 Secure strong interest from partners and sponsors in participating in future year's events.

4.7 Some of the analysis in relation to the reach and impact of the promotion activity is still ongoing but the results achieved so far are positive. The feedback from sponsors is very good and the vast majority want to participate again next year with other companies who were in attendance also expressing an interest. On the back of this performance the funding cover from the cities has been reduced from £50,000 to £36,000 and there is the potential for further improvement on this in future years.

4.8 The Council's performance indicator in relation to investment and physical development under the previous economic strategy – A Strategy for Jobs, was to secure £1.3 billion of investment over the period of the strategy. This was achieved and attendance at MIPIM was a part of the overall package of activity that helped deliver on that target. The new Economy Strategy and its monitoring framework are more focused on qualitative outcomes rather predominantly quantitative ones and the approach being taken to attract investment is now similarly focused on specific results.

4.9 In relation to the outcomes achieved for the city this will be monitored over a period of years. Table 2 in Appendix 1 shows how this will be recorded. The attendance this year has resulted in 23 contacts with investors and developers being made, of which 12 are considered to be new contacts and where leads are being followed up. While there are currently no investments recorded where there is a clear link to MIPIM activity, there has been heightened investor interest in two of Edinburgh's strategic development areas that were promoted at the event. It is likely that this interest will crystallise into actual investment in the coming months.

MIPIM 2020

4.10 Given the positive evaluation of the Team Scotland approach to MIPIM 2019, and reflective of the feedback received, MIPIM 2020 will build on the collective profile and contacts established. A thematic approach will be taken to events on the MIPIM 2020 stand which will involve Scotland and its cities setting out the vision for the future and the types of investment required to deliver it. There will be a stronger focus on international engagement to promote Scotland's investment opportunities. This will be complemented by a wider programme of outreach by Team Scotland's key influencers to maximise engagement opportunities across the MIPIM programme and at off-site events. Brexit was a key talking point at the 2019 Event and as the UK and Scotland moves through the process of actually leaving the EU it will continue to be important to engage with the international community and promote investment opportunities.

4.11 The emerging themes are as follows:

4.11.1 Green Investment - Addressing climate change and promoting sustainable economic growth. Showcasing the energy sector and seeking investment which facilitates change and supports the move to zero carbon cities. This would

include but not be limited to district heating, zero carbon housing both in terms of new build and retrofitting, travel infrastructure and adaption for climate change.

4.11.2 Placemaking and Regeneration - Progressive policies which promote projects with an inclusive agenda. Diversity and corporate social responsibility. Positive investments which enhance reputation and build strong relationships with communities and customers.

4.11.3 Skills, Talent and Innovation - Promotion of Scotland's highly educated workforce as a driver for growth. This would include promoting the excellence of Scotland's universities and leading research institutions in key sectors, re-investment into Scotland from Foreign Direct Investment (FDI) and Research and Development (R&D) performance and competitive advantage in data innovation.

4.11.4 Living - Promotion of Scotland's potential in the Build to Rent sector and other niche residential asset classes.

4.11.5 International Gateways – Promoting Scotland's international gateways as drivers of economic growth. The National Planning Framework (NPF3) identifies commercial and supporting mixed uses with significant development and investment opportunities.

4.12 In addition, there will be a Team Scotland presence at MIPIM UK in London from 14-15 October 2019, reflective of the ongoing importance of the London-based investor market.

5. Next Steps

5.1 The measures of success set out for the three year partnership programme are:

5.1.1 That the Council is able to successfully promote and raise the international profile of the city as successful place to do business;

5.1.2 That this promotion activity results in investment in the city; and,

5.1.3 That this investment is focussed on achieving the Council's economic objectives, with 'good growth' being the central tenet.

5.2 Appendix 1 sets out the Performance Monitoring Framework which reflects the outcomes that have been recorded to date.

6. Financial impact

6.1 There is no financial impact arising from this report. The costs of this year's attendance and next year's attendance is contained within existing agreed budgets.

- 6.2 For attendance in 2019, the budget allowance was £50,000 as the Council's share of funding the Team Scotland pavilion and related costs, and an additional £10,000 to cover travel and accommodation costs. These budget limits were not exceeded and a refund of £13,414 was paid by the Scottish Government as a result of sponsorship targets being surpassed.
- 6.3 The financial cover sought from the Council by the Scottish Government in relation to next year's event has been reduced to £36,000 as opposed to £50,000. This reflects the strong sponsorship support that was received last year and which it is anticipated will be forthcoming again in 2020.

7. Stakeholder/Community Impact

- 7.1 As mentioned above, the promotion of opportunities in the city and the investors targeted in relation to those opportunities were developed having regard to the Council's Commitments and the Economy Strategy and the objectives relating to addressing inequality. In this regard, the Council's involvement at MIPIM is intended to have a positive impact in terms of addressing inequality in the city.
- 7.2 Consultation and engagement with the private sector to maximise the profile for Edinburgh at MIPIM 2019 was undertaken. It should also be noted that the investment propositions that were promoted are development opportunities in the city that have been or that continue to be the subject of public consultation.
- 7.3 The Scottish Property Federation who supported the event, has written to the Council to provide feedback. The letter is provided in Appendix 2.
- 7.4 The same approach will be taken for 2020 and 2021.

8. Background reading / external references

None.

9. Appendices

Appendix 1 – Performance Indicators and Monitoring Framework

Appendix 2 – Letter of support from Scottish Property Federation

Appendix 1 – Performance Indicators and Monitoring Framework

Table 1 - MIPIM 2019 Event Measurements (Team Scotland Evaluation)

Ref	Specific: - a specific area for improvement	Measurable: - indicator of progress	Assignable: - who will do it	Realistic: what results can realistically be achieved given available resources.	Time related: when the result(s) can be achieved	Output
1	Build a long term major brand presence for Scotland and leading Scottish Cities.	Awareness of Scotland as an investment destination amongst global investor community. Evidence – 5 articles published in real estate/national press publications. Market Research Survey. 2018/2019/2020/2021	Lead-Steering Group/ Operations Group	Partially achievable through MIPIM 2019 but also linked to longer term MIPIM activity and associated events and initiatives.	March 2019	Achieved. 2 Full page Property Week adverts 2 page feature with Cab. Sec Derek Mackay in Property Week perspectives supplement. 2 Full page Estates Gazette Adverts. MIPIM website gold sponsor package Social media activity
2	Showcase the Scottish system to demonstrate the positive business environment with a modern innovative economy to build demand for property investment in Scotland's leading cities.	Perception of Scotland as having a positive business environment amongst real estate community – investors, financiers, developers and intermediaries. Evidence - Market Research Survey 2018/2019/2020/2021.	Lead – Sponsorship and Programme Group	Partially achievable through MIPIM 2019 but also linked to longer term MIPIM activity and associated events and initiatives	March 2019	Ongoing: planned market research survey autumn 2019
3	Promote cities under wider Scottish presence.	Press coverage, enquiry leads. Evidence – 5 national press articles, 5 real estate press articles, 10% increase in social	Lead- Senior Partners, Scottish Cities Alliance	Ongoing activity.	March 2019	Achieved for 2019: Ref 1 above

		media hits between MIPIM 2019 and MIPIM 2020.				
4	Build strong private sector, collaborative support.	Support for MIPIM 2020 initiative. Evidence – SPF agree to be Partner for MIPIM 2020. Sponsor satisfaction survey – target 60% satisfied or very satisfied.	Lead – Scottish Property Federation	Partially achievable through MIPIM 2019 but also linked to longer term MIPIM activity.	March 2019	Achieved. SPF indicated support for MIPIM 2020. Post event Survey of 22 sponsor responses: 54.5% very satisfied (12 no.) 45.5% satisfied (10 no.)
5	Use MIPIM as a forum to promote strategic investment propositions.	Dissemination of prospectus. Evidence – No of directly related enquiries, target 10.	Lead – Scottish Enterprise/Scottish Development International	Ongoing activity	March 2019	Ongoing: Evaluation Survey response: 30% of responses secured new business and 90% expect to secure additional business as a result of attending MIPIM.
6	Provide a platform to assist Scottish companies to internationalise.	Scale of participation by Scottish companies – direct and indirect. Evidence – Meet target of 8 Gold sponsors, 8 Silver sponsors, 8 Bronze sponsors and sponsorship target of £120,000.	Lead – Scottish Enterprise/Scottish Development International	Specific opportunities at MIPIM and other events	March 2019	Financial target exceeded although composition of sponsor packages varied from forecast. 5 Gold 10 Silver 3 Bronze
7	Create an agenda setting interesting programme for MIPIM to increase international interest in Scotland, its leading cities, major investment opportunities and	Quantity and quality of MIPIM delegates visiting Scotland at MIPIM 2019. Evidence - Meet target of 500 visitors with 50 at Director level (Pass readers)	Lead – Sponsorship and Programme Group	Programme to be completed by end 2018 for delivery at MIPIM 2019.	March 2019	Achieved. 576 Visitors 283 Director level & above

	private sector services.					
8	Focus attention on core issues for global investors.	Engagement with private sector partners (SPF) and real estate community and agreement of core themes for MIPIM 2019. Evidence – Community support for MIPIM 2020 shown through continued SPF engagement and 10% increase in number of sponsors.	Lead-Sponsorship and Programme Group	Ongoing consultation with investors, real estate community and testing at MIPIM 2019.	March 2019	Good indication of continued support from existing sponsors
9	Showcase the role of Scotland's Innovation hubs in Dublin, Berlin and London.	Promotion of hubs at MIPIM 2019 and associated increase in enquiries related to capital investment. Evidence – Attendance at Capital Investment Attraction events post MIPIM 2019 in Dublin, Berlin, and London Hubs (Target - 30 businesses including 5 potential investors at each).	Lead – Scottish Enterprise/ Scottish Development International	Primarily at MIPIM 2019 and subsequently as hubs become fully established.	March 2020.	Ongoing. London Hub event planned for later in 2019. Dublin and Berlin will be assessed in line with market evidence for capital flows/ market interest.

Table 2 - Post MIPIM Measurements

Year	Contacts made	Leads generated	Investment Activity in Edinburgh What, where and when	Metrics – GDV, FTE, GVA What has been achieved	Outcomes – Sustainability, Inclusivity, Wellbeing Commentary on progress and/or outcomes.
2019	23	12	None recorded as yet	None recorded as yet	There has been significant market interest in two of the city's strategic development areas that were promoted at MIPIM this year. No firm outcomes are recorded as yet
2020	-	-	-	-	-
2021	-	-	-	-	-

APPENDIX 2 – Letter of support from Scottish Property Federation

Dear David

This is just a quick and overdue note to thank you and your colleagues for your support and liaison with the SPF and senior real estate investors and developers as part of Team Scotland at MIPIM 2019.

Our members have reported that they felt the Team Scotland pavilion and the presence and engagement of key officials and leading politicians of all parties raised the game for Scotland and its leading cities this year at MIPIM, the world's largest property investment conference with a unique blend of strong UK/Scottish presence as well as the world's major real estate investors.

The clear engagement between key investors and Team Scotland, such as Legal and General, British Land, Moorfield, PGIM and others was testament to the success of the initiative. The willingness of CEC leaders from both parts of the administration and officials, including the CEO and Executive Director Place and yourself, was also particularly noted and welcome. Investors and developers, Scottish, UK and overseas, now had a locus in which to discuss and consider investment in Scotland thus providing a strong platform for follow-up engagements.

We recognise this is a major commitment for CEC but we do believe the Team Scotland approach is the right one and benefits all Partners. The SPF is certainly set to support the Team Scotland initiative again in 2020 and we hope that CEC may again be able to play a leading role in the 2020 once again.

Kind regards,

David

[David Melhuish](#)

Director

[Scottish Property Federation](#)