

THE HIGHLAND COUNCIL
PLANNING ENVIRONMENT AND DEVELOPMENT
COMMITTEE – 21 January 2009

Agenda Item	
Report No	

Report by Director of Planning and Development

MIPIM Property Conference – Feedback from 2008 and Plans for 2009

Summary

At the meeting of the Committee held on 28th May 2008, Members received a report (PED-49-08) on the background to the attendance by the Provost of Inverness, the Inverness City Manager and two colleagues from Highlands and Islands Enterprise at the 2008 MIPIM Conference (Marche International Des Professionnels de l'Immobilier – the International Market for Property Professionals). The Committee instructed officers to report back on the outcome of any contacts made and on the proposals for attendance at the next Conference to be held in March 2009. Members are invited to comment and to agree the recommendation detailing attendance proposals.

1. Introduction

- 1.1 The Annual MIPIM (International Market for Property Professionals) Event in Cannes, France is the world's biggest real estate and developer exhibition. In a market that has become particularly challenging, it is becoming even more important for cities and regions to be properly represented at events such as MIPIM.
- 1.2 Attendance at MIPIM 2008 was exploratory, with the profile of the six Scottish cities being raised in an effective manner through Scottish Development International. A similar opportunity has arisen for the City of Inverness to participate in the 2009 Conference.

2. Outcomes from MIPIM 2008

- 2.1 Attendance at the MIPIM Conference in 2008 resulted in a number of contacts being made with a variety of national and international organisations and businesses. Informal meetings were held with a range of businesses in the Tourism and Hotel sector such as the International Hotel Licensing Company (Subsidiary of Marriot International), Hilton Hotels and a German Hotel Group Motel One. Contacts were also made with a number of other international

developers such as the Swedish real estate publisher Magasinet Fastighets Sverige AB, and the Royal Bank of Canada Europe Limited, as well as with internationally based Architectural/Property Development companies. A wide range of UK businesses were also in attendance. As well as meeting with smaller specialised property development companies from throughout Scotland and the UK, the Highland delegation met with representatives from Sainsbury's, Sir Robert McAlpine and The Elphinstone Group. The UK's specialised property press was also well represented with meetings being held with Estates Gazette and Property Week.

3 Current Economic Climate

- 3.1 Since attending MIPIM 2008 the credit crunch has had a major impact on the property investment market. However, whilst formulating a successful property development strategy has become more challenging, a number of major potential property development opportunities, such as that being proposed for Inverness Harbour remain. Similarly The British Waterways Board wishes to examine opportunities to develop its Muirtown Basin site as well as sites in Fort Augustus and in Fort William.
- 3.2 The Council's general objective in dealing with the credit crunch is to be as pro-active as possible in order to assist the wider business community in dealing with the additional challenges. Attendance at MIPIM 2009, on the basis detailed below, will provide a sound footing for those opportunities to be explored and developed in a cost effective manner.

4. Proposal for attendance at MIPIM 2009

- 4.1 A partnership approach has been taken with the Council joining forces with Highlands and Islands Enterprise. Officers from both the Council and HIE agreed from the outset that Members would not be recommended to support representation at MIPIM 2009 without confirmed attendance from property developers/investors within the Highlands.
- 4.2 HIE and the Council contacted a number of developers in the general area of the Inner Moray Firth inviting them to consider attending. While a number of developers were unable to attend, Inverness Harbour Trust who are in the process of trying to attract investment to their development site felt that the MIPIM Conference would be a suitable venue at which to promote their development proposals. Two further businesses, Alchemy Plus and Scotlogs are looking to expand in the same area and both have agreed to attend. Discussions are ongoing with H2O, the development arm of the British Waterways Board with a view to their attendance at MIPIM as part of the Highland delegation.

- 4.3 From the confirmations detailed above, it can be seen that representation has been achieved from three private sector developers, with one further currently actively considering taking part. However, attendance at MIPIM has to be for the benefit of the Highlands as a whole. As with MIPIM 2008, it is planned to ensure that the general development profile of the Highlands is raised. HIE and the Council will be providing back up to the participants, including providing an environment in which property deals can be negotiated, while at the same time providing information and advice to developers on investing in the Highlands.
- 4.4 Scottish Development International is facilitating Scotland's presence at this year's event. Entitled "Team Scotland@MIPIM 2009" it features the creation of the Scotland Suite in a prime location offering participants the opportunity to showcase their areas and arrange promotional events. They will also assist with a wide range of logistical arrangements to ensure that participants can achieve maximum benefit from their attendance at this event.
- 4.5 It is proposed that the Council not attend, but that we support Highlands and Islands Enterprise and the private sector representatives to attend the MIPIM event.

5. Resource Implications

- 5.1 The estimated cost to the Council of a Highland presence at the MIPIM Conference will be approximately £7,000. This represents a 50% share of the attendance costs with HIE and there is provision in the Economic Initiatives budget to meet this expenditure. This figure is broken down as follows:

Team Scotland Participation Cost;	£2,000
Reception Costs/Stand/Display Equipment/Publicity Materials;	£5,000
Total	£7,000

Those representatives from the private sector who have agreed to attend will do so at their own expense. The only costs to be subsidised will be in respect of providing a meeting venue (The Scotland Suite) and suitable promotional opportunities such as a reception featuring Highland products.

Recommendation

The Committee is invited to agree that:

1. Noting the progress made subsequent to MIPIM 2008 and to confirm that the Council support HIE and private sector representative to attend the MIPIM 2009 Conference and
2. That a report be made to the first appropriate Planning Environment and Development Committee subsequent to MIPIM 2009, detailing the outcomes of MIPIM 2009.

Signature:

Designation: Director of Planning and Development

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Date: 23rd December 2008

Background Papers:

Report: PED-49-08