



Property Investment Board

Date: WEDNESDAY, 25 MAY 2016
Time: 11.30 am
Venue: COMMITTEE ROOMS, 2ND FLOOR, WEST WING, GUILDHALL

Members:

**Membership to be confirmed at the Investment Committee meeting
at 10:30am on 25 May 2016.**

Enquiries: David Arnold
tel. no.: 020 7332 1174
david.arnold@cityoflondon.gov.uk

**Lunch will be served in Guildhall Club at the rising of the Board
NB: Part of this meeting could be the subject of audio or video recording**

**John Barradell
Town Clerk and Chief Executive**

AGENDA

Part 1 - Public Agenda

1. **APOLOGIES FOR ABSENCE**
2. **MEMBERS' DECLARATIONS UNDER THE CODE OF CONDUCT IN RESPECT OF ITEMS ON THE AGENDA**
3. **RESOLUTION OF THE INVESTMENT COMMITTEE**
The Town Clerk to provide a verbal update in relation to the resolution of the Investment Committee dated 25 May 2016 appointing the Board and its Chairman and Deputy Chairman.

For Information
4. **MINUTES**
To approve the public minutes and summary of the Property Investment Board meeting held on 13 April 2016.

For Decision
(Pages 1 - 4)
5. **TERMS OF REFERENCE, FREQUENCY OF MEETINGS AND 2016/17 WORK PROGRAMME**
Report of the Town Clerk.

For Decision
(Pages 5 - 12)
6. **MARCHÉ INTERNATIONAL DES PROFESSIONNELS D'IMMOBILIER (MIPIM PROPERTY CONFERENCE) 2016/17**
Report of the City Surveyor.

For Decision
(Pages 13 - 18)
7. **QUESTIONS ON MATTERS RELATING TO THE WORK OF THE BOARD**
8. **ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT**
9. **EXCLUSION OF THE PUBLIC**
MOTION – That under Section 100A(4) of the Local Government Act 1972, the public be excluded from the meeting for the following items on the grounds that they involve the likely disclosure of exempt information as defined in Part 1 of Schedule 12A of the Local Government Act.

For Decision

Part 2 - Non-Public Agenda

10. **NON PUBLIC MINUTES**
To approve the non-public minutes of the Property Investment Board meeting held on 13 April 2016.

For Decision
(Pages 19 - 24)

11. **DECISIONS TAKEN UNDER DELEGATED AUTHORITY OR URGENCY SINCE THE LAST MEETING OF THE BOARD**
Report of the Town Clerk.
- For Information**
(Pages 25 - 26)

12. **QUARTERLY DELEGATED AUTHORITIES UPDATE - 1 JANUARY 2016 TO 31 MARCH 2016**
Report of the City Surveyor.
- For Information**
(Pages 27 - 42)

CITY FUND

13. **CROSSRAIL PROPERTY OUTTURN REPORT**
Joint report of the City Surveyor and the Chamberlain.
- For Information**
(Pages 43 - 50)

CITY'S ESTATE

14. **GATEWAY 3/4 OPTIONS APPRAISAL - REFURBISHMENT OF 3RD FLOOR AND RECEPTION AREA, WHITEFRIARS STREET EC2**
Report of the City Surveyor.
- For Decision**
(Pages 51 - 70)

15. **GATEWAY 1-4 PROJECT PROPOSAL - URGENT REPAIRS TO STONEMWORK, FLEET STREET EC4**
Report of the City Surveyor.
- For Decision**
(Pages 71 - 82)

16. **LETTING REPORT - RENT REVIEW, NEW BOND STREET W1**
Report of the City Surveyor.
- For Decision**
(Pages 83 - 86)

17. **LETTING REPORT - RENT REVIEW, CONDUIT STREET W1**
Report of the City Surveyor.
- For Decision**
(Pages 87 - 92)

18. **LETTING REPORT - RENT REVIEW, TOTTENHAM COURT ROAD W1**
Report of the City Surveyor.
- For Decision**
(Pages 93 - 98)

BRIDGE HOUSE ESTATES

19. **SALISBURY HOUSE, LONDON WALL EC2 - EXTENSION OF HEAD LEASE**
Report of the City Surveyor.

For Decision
(Pages 99 - 102)

20. **NON-PUBLIC QUESTIONS ON MATTERS RELATING TO THE WORK OF THE BOARD**

21. **ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT AND WHICH THE BOARD AGREES SHOULD BE CONSIDERED WHILST THE PUBLIC ARE EXCLUDED**

PROPERTY INVESTMENT BOARD

Wednesday, 13 April 2016

Minutes of the meeting of the Property Investment Board held at the Guildhall EC2 at 1.45 pm

Present

Members:

Deputy Alastair Moss (Chairman)	George Gillon
Tom Sleigh (Deputy Chairman)	Ann Holmes
Chris Boden	Michael Hudson
Keith Bottomley	Dhruv Patel
Deputy Roger Chadwick	

Also Present:

Deputy John Tomlinson

Officers:

David Arnold	- Town Clerk's Department
John James	- Chamberlain's Department
Alan Bennetts	- Comptroller & City Solicitor's Department
Peter Bennett	- City Surveyor
Nicholas Gill	- City Surveyor's Department
Peter Young	- City Surveyor's Department
Andrew Cross	- City Surveyor's Department
Tom Leathart	- City Surveyor's Department
Neil Robbie	- City Surveyor's Department

1. **APOLOGIES**

Apologies for absence were received from David Brooks Wilson, Deputy John Chapman, Deputy Brian Harris, and Tony Joyce.

2. **MEMBERS' DECLARATIONS UNDER THE CODE OF CONDUCT IN RESPECT OF ITEMS ON THE AGENDA**

Dhruv Patel declared a non-pecuniary interest in matters relating to Agenda Item 11 as an associate of the City and Guilds of London Institute.

3. **MINUTES**

RESOLVED – That the public minutes and summary of the meeting held on 11 March 2016 be approved.

4. **QUESTIONS ON MATTERS RELATING TO THE WORK OF THE BOARD**

There were none.

5. **ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT**

There was none.

6. **EXCLUSION OF THE PUBLIC**

RESOLVED – That under Section 100A(4) of the Local Government Act 1972, the public be excluded from the meeting for the following items on the grounds that they involve the likely disclosure of exempt information as defined in Part 1 of Schedule 12A of the Local Government Act.

Item No.
7 – 17

Paragraph No.
3

7. **NON PUBLIC MINUTES**

RESOLVED – That the non-public minutes of the meeting held on 11 March 2016 be approved, subject to one amendment.

8. **MUSEUM OF LONDON: OCCUPATION OF SMITHFIELD GENERAL MARKET - REQUEST FOR FUNDING OF REMAINING SHORT TERM PROGRAMME COSTS TO DESIGN STAGE**

The Board received a report of the Chamberlain regarding the Museum of London's future occupation of Smithfield General Market.

9. **PUBLIC CONVENIENCES**

The Board considered a report of the City Surveyor that sought approval to the procurement of commercial advice as to potential alternative uses of four former public conveniences.

10. **LETTING REPORT - GRANT OF A NEW LEASE, BROAD STREET PLACE EC2**

The Board considered a report of the City Surveyor that sought approval to the grant of a new lease in Broad Street Place, EC2.

11. **LETTING REPORT - OVERAGE PAYMENT, GILTSPUR STREET EC1**

The Board considered a report of the City Surveyor that sought approval to the receipt of an overage payment.

12. **LETTING REPORT - RENT REVIEW, STORE STREET W1**

The Board considered a report of the City Surveyor that sought approval to a rent review in Store Street, W1.

13. **LETTING REPORT - GRANT OF OVERRIDING LEASE, NEW BOND STREET W1**

The Board considered a report of the City Surveyor that sought approval to the grant of an overriding lease in New Bond Street, WC1.

14. **LETTING REPORT - LEASE RENEWAL, EAST POULTRY AVENUE EC1**

The Board considered a report of the City Surveyor that sought approval to the terms of a lease renewal.

15. DECISIONS TAKEN UNDER DELEGATED AUTHORITY OR URGENCY SINCE THE LAST MEETING OF THE BOARD

The Board received a report of the Town Clerk that advised Members of a decision taken under delegated authority by the Town Clerk, in consultation with the Chairman and Deputy Chairman, since the last meeting of the Board.

RESOLVED – That the decision taken under delegated authority since the last meeting be noted.

16. NON-PUBLIC QUESTIONS ON MATTERS RELATING TO THE WORK OF THE BOARD

There were none.

17. ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT AND WHICH THE BOARD AGREES SHOULD BE CONSIDERED WHILST THE PUBLIC ARE EXCLUDED

The Board considered one item of urgent business.

The meeting closed at 2.20 pm

Chairman

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Committee: Property Investment Board	Date: 25 May 2016
Subject: Terms of Reference, Frequency of meetings and 2016/17 Work Programme	Public
Report of: Town Clerk	For Decision
Report author: David Arnold, Town Clerk's Department	

Summary

This report sets out Terms of Reference for the Property Investment Board, the frequency of meetings, proposed work programme and dates of Board meetings for the remainder of the year.

Recommendations

It is recommended that:-

- a) Members note the Property Investment Board's Terms of Reference;
- b) Members consider the frequency of the Board's meetings set out in Appendix A; and
- c) Members approve the proposed work programme for 2016/17.

Main Report

1. This report notes the Terms of Reference and composition of the Property Investment Board. It also sets out details of the co-option arrangements adopted by the Investment Committee for all of its Boards. The Board's Terms of Reference and the co-option arrangement are both subject to consideration by the Investment Committee on 25 May 2016.
2. The Board is further asked to consider the frequency of its meetings. It is proposed that the Property Investment Board will meet on a monthly basis on those dates set out at Appendix A. This arrangement reflects the proposed work programme for the Board outlined below.

Property Investment Board –Terms of Reference

3. The Property Investment Board's Terms of Reference, subject to the agreement of the Investment Committee on 25 May 2016 are as follows:-
 - (a) To determine and approve management and investment matters relating to property within the City's Cash, City Fund and Bridge House Estates in accordance with the management plans and investment strategies determined by the Policy and Resources Committee.
 - (b) to acquire, manage or dispose of all City property within its remit;

- (c) to determine specific property ownerships in accordance with policies established by the Policy and Resources Committee and the Court of Common Council in relation to the extent of properties to be held by the City of London Corporation for strategic purposes, including within the City itself;
- (d) in relation to Leadenhall Market, to lease any shop or shops at less than the full market rent in order to obtain the stated objectives of securing a first class, balanced and varied market; and
- (e) to report during the year to the Investment Committee in relation to its activities and the overall performance of the investment property portfolios.

There is provision within the Investment Committee's Terms of Reference to enable the Chairman of the Property Investment Board to report on and speak to the Board's activities and responsibilities in the Court of Common Council and to ensure that any decisions, especially those relating to property, are taken without undue delay.

Property Investment Board – Work Programme

4. Outlined below are some of the key issues that will need to be considered by the Property Investment Board at its meetings throughout the year. The programme is intended to be indicative, in order to give Members some idea of the reports that will be considered during its meetings and is subject to change.

MAY 2016	Rental Forecasts Quarterly Report.	Tom Leathart
	Write Off Report	Andrew Cusack
	MIPIM Report on March's Exhibition.	CPAT
	Delegated Authorities – Decisions as at 31 st March.	IPG Director
JUNE 2016	Annual Valuation.	IPG Director
	Business Plan – 4 th Quarter Progress.	Sean Power
	City Surveyor's Department Risk Register – 4 th Quarter Progress.	Sean Power
	Arrears (as at March Quarter day) – Half yearly report.	Sean Power
JULY 2016	Voids (as at 1st June) – Half yearly report.	Sean Power
	IPD Annual Performance.	IPG Director
	Delegated Authorities – Decisions as at 30 th June.	IPG Director
	Outturn Report.	John James
AUGUST 2016	NO COMMITTEE – RECESS	
SEPTEMBER 2016	Rent Reviews/Lease Renewals report as at June Quarter Day.	IPG Director
	Rental Forecast Quarterly Report.	Tom Leathart
	Write Off Report	Andrew Cusack

	Business Plan – 1 st Quarter Progress.	Sean Power
	City Surveyor's Department Risk Register – 1 st Quarter Progress.	Sean Power
OCTOBER 2016	Delegated Authorities - Decisions as at 30 th September.	IPG Director
NOVEMBER 2016	Business Plan – 2 nd Quarter Progress.	Sean Power
	City Surveyor's Department Risk Register – 2nd Quarter Progress.	Sean Power
	Rental Forecast Quarterly Monitoring Report.	Tom Leathart
	Write Off Report	Andrew Cusack
DECEMBER 2016	City's Estate Annual Update.	IPG Director
	Strategic Property Annual Update.	IPG Director
	Annual Estimates.	John James
	Arrears (as at Sept Quarter day) - Half yearly report.	Sean Power
JANUARY 2017	Voids (as at 1 Dec) – Half yearly report.	Sean Power
	Delegated Authorities – Decisions as at 31 st December	IPG Director
	City Fund Annual Update.	IPG Director
	Bridge House Estate Annual Update.	IPG Director
	Rent Renewal/Lease Renewals report as at December Quarter Day.	IPG Director
FEBRUARY 2017	Rental Forecasts Quarterly Report.	Tom Leathart
	Write Off Report	Andrew Cusack
	Business Plan 3 rd Quarter Progress.	Sean Power
	City Surveyor's Department Risk Register – 3rd Quarter Progress.	Sean Power
	Performance Metrics Annual Review Report	John James/ Bill Redfern
	New Business Plan 2017 – 2020	Sean Power
MARCH – APRIL 2017	NO COMMITTEE – COMMON COUNCIL ELECTIONS	

5. Over the course of the year, the Property Investment Board will report to the Investment Committee, as follows:

January Meeting

The Investment Committee will receive a report from the Property Investment Board on its review of various property strategies:-

City Fund Estate
City's Estate
Bridge House Estate
Leadenhall

Each meeting

In addition to the above, the minutes of the latest Property Investment Board meetings will be submitted to the Investment Committee for information.

Co-option arrangements

6. The Property Investment Board, Financial Investment Board and Social Investment Board are all empowered to co-opt people with relevant expertise or experience, including non-Members of the Court of Common Council, to assist in their deliberations. The protocol concerning the co-option arrangements for each Board is attached at Appendix B and is subject to consideration by the Investment Committee on 25 May 2016.

Appendices

- A) Property Investment Board meeting dates 2016/17
- B) Protocol for co-option to the Property Investment Board

Contact:

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Meeting dates for the Property Investment Board – 2016/17

Meeting	Time
15 Jun 2016	13:45
20 Jul 2016	13:45
14 Sep 2016	13:45
19 Oct 2016	13:45
16 Nov 2016	13:45
14 Dec 2016	13:45
25 Jan 2017	13:45
15 Feb 2017	13:45
25 May 2017	13:45
21 Jun 2017	13:45
19 Jul 2017	13:45
6 Sep 2017	13:45
11 Oct 2017	13:45
15 Nov 2017	13:45
13 Dec 2017	13:45

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Protocol for co-option to the Financial Investment Board, the Property Investment Board and the Social Investment Board

1. The Financial Investment Board, the Property Investment Board and the Social Investment Board are empowered to co-opt people with relevant expertise or experience, including non-Members of the Court of Common Council, to assist in their deliberations.
2. The arrangements for co-option and the co-opted membership of individuals to the Financial Investment Board, the Property Investment Board and Social Investment Board will be reviewed on an annual basis at the May meeting of the Investment Committee (and thereafter at the first meetings of the respective Boards).
3. When suggesting individuals with relevant expertise or experience for co-option, Members of the Financial Investment Board, the Property Investment Board or the Social Investment Board will be required to:-
 - a. send a written request for co-option to the Town Clerk, specifying whom it is proposed should be co-opted to either the Financial Investment Board or the Property Investment Board or the Social Investment Board and the reasons for their co-option;
 - b. send a CV or supporting statement, for the individual being suggested for co-option, to the Town Clerk. Bearing in mind the Board's terms of reference, the letter and supporting statement or CV should demonstrate the individual's relevant skills and experience.
4. For the Standards Committee, is it considered inappropriate for past Members of the Court of Common Council or former City Corporation employees to be eligible to serve as [independent] outside members and Members will need to consider if the same conditions should apply in respect of co-option to the Financial Investment Board, the Property Investment Board and Social Investment Board. It would be inappropriate for a close friend or relative of any Member or officer to serve or indeed an employee of any organisation of which the City Corporation is a client.
5. The Town Clerk will consult the relevant Chief Officer to discuss the co-option request and will, if necessary, prepare a report for the next meeting of the respective Board. Members of the respective Board will then be asked to consider the co-option request.
6. Unless co-option is time-banded or topic/project restricted, co-opted Members of the Financial Investment, the Property Investment Board and Social Investment Board will be entitled to attend all meetings of the respective Board for a maximum of 12 months (prior to the annual review in May) and to receive all committee-related documentation, including exempt papers, unless otherwise determined by the Town Clerk in consultation with the relevant Chief Officer.

7. The Financial Investment Board, the Property Investment Board and the Social Investment Board are empowered to approve their own co-opted membership (majority vote) without prior consultation with, or agreement by, the Investment Committee. The Town Clerk will inform the Chairman and Deputy Chairman of the Committee once a Board has agreed co-option of an individual.
8. Co-opted Members would not have voting rights.
9. Co-opted Members of the Financial Investment Board, the Property Investment Board and Social Investment Board will be required to complete a Register of Interest form and declare personal and prejudicial interests when in attendance at meetings.

Agenda Item 6

Committee(s)	Dated:
Policy & Resources Committee	19/05/2016
Planning & Transportation Committee	24/05/2016
Property Investment Board	25/05/2016
Subject: Marché International des Professionnels d'Immobilier (MIPIIM property conference) 2016 / 2017	Public
Report of: The City Surveyor	For Decision
Report author: Simon McGinn, City Property Advisory Team (CPAT)	

Summary

This report informs your Committees of the City of London Corporation's activities at the MIPIIM property exhibition in March 2016, and seeks approval for City of London Corporation attendance at MIPIIM 2017.

The cost of representation at MIPIIM 2016 was above the originally approved budget (£87,500), totalling £89,398 which was as a consequence of expanding the attending Member team by an additional person.

Key activities from MIPIIM include (summary):

- 24 meetings with high level representatives of property companies and stakeholders active in the Square Mile.
- The public launch of an important piece of property research.
- Three successful City-hosted dinners with high-level guests.
- Involvement in two panel sessions by the Chairman of Policy & Resources, plus a keynote speech at a breakfast hosted by the London Chamber of Commerce and Crofton.
- Promotion of the City's existing and future building stock.
- Promotion of the City as a place to invest and base a business.

Recommendation(s)

- That this report on MIPIIM 2016 is received.
- That the additional cost of attending MIPIIM 2016 be noted
- That the Policy & Resources and Planning & Transportation Committees, and the Property Investment Board, decide that the City of London Corporation should attend MIPIIM 2017 with a total budget not exceeding £95,000.

Main Report

Background

1. In Apr/May 2015, approval was given for the City of London Corporation's attendance at MIPIIM (Marché International des Professionnels d'Immobilier) 2016 in Cannes at a cost not exceeding £87,500 to be met from existing budgets. Subsequent to the report going to Committee, it was decided that it would be useful for the Deputy Chairman of the Planning & Transportation Committee to also attend, the cost of which was covered by the Department of the Built

Environment's local risk budget. Provision of £20,000 came from the City Surveyor's Department (Property Investment Board), £7,500 from the Department of the Built Environment (Planning and Transportation Committee), £5,000 from Public Relations (Policy & Resources Committee), and the remaining £55,000 from the City Property Advisory Team's (CPAT) local risk budget. The research launched at MIPIM was jointly commissioned with the City Property Association and separately funded as part of the Economic Development Office's Research Programme.

2. MIPIM is widely recognised as the world's leading and most influential event for the Property Industry. It is a global marketplace that offers the opportunity to connect with key players in the industry, from investors to end-users and local government to international corporations. This year, 24,000 delegates attended from over 80 countries (up from 21,400 in 2015).
3. The focus of The City of London Corporation's attendance centred on four main areas of activity:
 - a) Exhibition attendance – this includes supporting the City Corporation's part of the larger London exhibition.
 - b) City Corporation seminar where themes of significance for the City of London are developed and debated.
 - c) Hosting high-level events for specially invited key individuals (3 City dinners, and a Seminar for senior guests and delegates), and 24 private meetings over 2 days with developers, investors, and other stakeholders.
 - d) Involvement in two panel sessions and a keynote speech (Chairman of Policy & Resources).
4. City of London Corporation representatives attending MIPIM included four Members (the Chairman of the Policy & Resources Committee, the Chairman and Deputy Chairman of the Planning and Transportation Committee and the Chairman of the Property Investment Board), in addition to the City Surveyor, the Director of the Built Environment, the Chief Planner & Development Director, and the Investment Property Director. The senior team was supported by three representatives from the City Property Advisory Team and one PR officer.

Headline messages received

5. Planning:
 - Speed of response to issues/consultations needs to be accelerated.
 - Archaeological costs and processes need to be reviewed as this pushes the overall costs onto developers.
 - Developers should be encouraged to use the new City Centre to meet Members to get an overview of the broader impact on the City.
 - S237 Rights of Light – need to ensure basic process is understood especially by foreign investors. Pre-application meetings giving more information to aid development would help.
6. Housing:
 - A standard tariff would be beneficial rather than local variations to determine the amount of contributions towards affordable provision

- Adequate resourcing of both local authorities to deliver the necessary permissions and the market generally to provide the necessary skills to deliver housing capacity
- The Greenbelt could provide some expansion space for housing
- An appropriate volume of housing delivery will in itself provide sufficient affordable accommodation on the back of consented schemes
- Mixed use buildings are of value – young graduates want to live near where they work.

7. Occupiers:

- New occupiers should be invited to CoL events e.g. Amazon. CoL's hospitality process/policy needs to be assessed

8. Research / Seminar

- The City must maintain its cost competitiveness
- There is a growing shortage of space between 300 and 1,000 sq m that must be countered
- The perception of the City must be addressed
- Digital infrastructure must be improved

City Corporation events and speeches:

9. The City Property Advisory Team organised a seminar entitled "*Clusters & Connectivity: the City as a place for SMEs*", based on a piece of research undertaken from Ramidus as part of the Economic Development Office research programme, and jointly commissioned by the City Property Association (See Appendix 1 for Executive Summary). Over 150 delegates attended the session chaired by the Chairman of the Policy and Resources Committee. The report was an opportunity to highlight the significant role SMEs play in driving job growth in the City, and how the number of small firms there has grown rapidly in recent years. The presentation examined the ecology of the City's SME community, and its drivers, working practices and locational requirements. It also looked at how SMEs view the City as a business location, and the value they place on different features such as public realm and amenities. The session also considered some of the policy implications for the City Corporation and others, as well as some key property trends affecting SMEs such as the growth in serviced office accommodation.
10. The Chairman of Policy & Resources Committee took part in two panel sessions – the first organised by Estates Gazette called *Start-Up London: a safe investment or too tricky to touch?* The Chairman also sat on a panel as part of a GLA "Housing in London" seminar. There was a consistency of agreement across 4 key housing areas:
 - A standard tariff would be beneficial rather than local variations to determine the amount of affordable provision
 - Adequate resourcing of both local authorities to deliver the necessary permissions and the market generally to provide the necessary skills to deliver housing capacity
 - The Greenbelt should provide some expansion space for housing
 - An appropriate volume of housing delivery will in itself provide sufficient affordable accommodation on the back of consented schemes

11. Corporation Members hosted a dinner for seven high level guests, comprising senior representatives including from British Land, Lipton Rogers Developments, (AXA and the British Property Federation).
12. Additionally, following on from last year's success, two extra dinners were also held – one focusing on housing and one on planning.
13. The Chairman of Policy also welcomed guests at a lunch held in association with the City Corporation (hosted by the City Property Association & London Chamber of Commerce).

Meetings:

14. Programmed meetings were held with 24 developers, investors and agents, over a 48 hour period, offering the chance to focus on significant issues, foster new relationships, and cement existing relationships and alliances. The meetings provided an opportunity to receive updates and explore issues that are pertinent to delivery of their schemes. In addition to this there were a number of un-programmed meetings relating to commercially sensitive inquiries that MIPIM provides an opportunity to discuss.

Media coverage:

15. The City Corporation's attendance at MIPIM secured coverage in CityAM and Property Week, which interviewed Mark Boleat and Annie Hampson respectively before the event. There was strong positive social media activity around the City of London Corporation's events at MIPIM. In particular, supportive tweets from the audience at the Estates Gazette panel which the Chairman of Policy participated in, and high levels of social media activity around the City of London Seminar - several tweets said it was the best seminar they had attended all week. Some members of the media expressed an interest in updates on planning permissions and planning committee businesses.

MIPIM 2017 expenditure

Financial & Risk Implications

16. The cost of representation at MIPIM 2016 was on budget at £89,398. This was £1,898 more than the initial approved budget due to the Deputy Chairman of Planning & Transportation accompanying the outgoing Chairman of the Committee.. The additional cost was funded by the Department of the Built Environment's local risk budget. Expenditure for the event was as follows:

Exhibition cost	£59,477
Travel / transfers / accommodation	£19,477
Seminar	£5,674
Hospitality and subsistence	£4,770
Total	£89,398

17. The benefits of attending MIPIM are set out above and it is considered appropriate that the City of London should have a similar presence at MIPIM 2017. The team to attend MIPIM should include a similar delegation of Members

as 2016, including representatives of the Policy & Resources Committee, Planning and Transportation Committee and Property Investment Board. It is proposed that Members be accompanied by the same Officer team that attended MIPIM in 2016

18. It is expected that the cost of attending MIPIM in 2017 will be higher than the original approved budget for attending in 2016 (£87,500) as on this occasion the Deputy Chairman of Policy & Resources is likely to be accompanying the outgoing Chairman and as, on first examination, the costs of return flights to attend the event appear to have risen significantly from £250 per person to £700 per person. The precise budget is not clear as there may be further variations in the travel costs and fluctuations in exchange rates. The final cost will be no greater than £95,000 with the division being as set out in Para 1 and any additional increase in cost will be divided between the City Surveyors Department and the Department of Built Environment (maximum increase of £7,500 to be shared).

Conclusion

19. MIPIM 2016 provided the City Corporation with an excellent opportunity to showcase the City's attributes as a place to live, work and invest. MIPIM is still the premier event of its kind, and it is felt that there is no real alternative to MIPIM at which the City Corporation's City of London message would be as effectively disseminated, given the predominance of senior and influential property professionals attending MIPIM, and the amount of press attention that it receives. It is also felt that the City Corporation's attendance is a key factor in promoting the Square Mile in the face of increasing competition from other centres and countries, and underpinning confidence in London as the leading global financial centre.
20. MIPIM 2017 takes place from 14th-17th March and will, it is reasonable to assume, provide similar opportunities as experienced at MIPIM 2016. The Policy & Resources Committee, Planning and Transportation Committee, and the Property Investment Board are now asked to decide if the City of London Corporation should attend MIPIM 2017 with contributions as previously identified in Para 18 above.

Contact:

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Appendix 1 – Executive Summary of joint City of London and CPA research

Clusters & Connectivity: the City as a place for SMEs (Mar 2016)

Companies that employ fewer than 250 workers form the vast majority of businesses in the Square Mile, and are crucial to its position as one of the country's most successful and diverse business centres. Though perceptions of the City often focus on its large corporations, it contains over 16,000 small- and medium-sized enterprises (SMEs), which form a unique business ecology. This report examines the benefits SMEs gain from being in the City and what more can be done to make it a place where they can thrive.

As part of the research, SMEs based in the City were surveyed and face to face interviews with representatives of the property supply chain were carried out. The findings suggest that SMEs are attracted to the City by several factors, including: its dense business cluster, which offers ready access to suppliers and clients; its historically rich urban environment and diverse office stock, and the sense of prestige attached to the location. The City is also well regarded for the competitive price of its office space.

The report finds that the City's population of SMEs spans a wide range of sectors. As well as obvious strengths in Finance and related industries, there is good representation in Professional Services; Insurance; Admin and Support; Wholesale, Retail and Consumer, as well as Technology, Media and Telecommunications (TMT).

The report also finds that SMEs are widely distributed across the Square Mile, and that they play a significant role in influencing the shape of the urban form. The City's financial core, where many of its large corporations are based, is the centre of gravity for SMEs in the sector, but many of those in other industries are scattered more widely.

Notably, many SMEs in the TMT sector are clustered in parts of the Square Mile adjacent to Shoreditch, Clerkenwell and Farringdon. This has led to parts of the City acquiring a look and feel similar to these tech hubs, characterised by small and serviced offices in historic, formerly industrial, buildings. Indeed, a particularly interesting finding of the report is that many respondents perceived the City to extend beyond its actual boundaries to encompass these areas immediately to the north.

In order to consolidate and build on its success as a location for SMEs, this report makes four main recommendations:

- **The City must maintain its cost competitiveness.** Whilst the City's office stock is good value compared to other parts of Central London, the research indicates that the factor most likely to drive SMEs out of the City is increasing cost. If actions are taken to keep prices competitive, this would serve to encourage resident SMEs to remain and may bolster the City's attractiveness.
- **There is a growing shortage of space between 300 and 1,000 sq m that must be countered.** The increasing scarcity of this space may become a deterrent to SMEs that would otherwise have considered locating to the City. Boosting its availability would address this emerging challenge.
- **The perception of the City must be addressed.** Impressions of the City as corporate and finance-dominated may deter some SMEs, in particular if they associate this with high cost. Promoting the area beyond the core where a more fluid landscape accommodates a diverse range of enterprises could improve the image of the City as a location for SMEs.
- **Digital infrastructure must be improved.** The City's businesses depend on high quality, high speed connectivity but do not always receive a consistently good service. Efforts are underway to address this, and must be continued.

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