

# Post-Referendum public affairs

## Real estate

### SERVICES

#### Public affairs

- *Scenario planning – advising on business challenges*
- *Regulatory audit*
- *Case building for retention or replacement of specific regulations*
- *Monitoring policy developments*
- *Relationship building and policy development with new ministerial teams and key officials*
- *Informing and reassuring employees, markets and other stakeholders*
- *Research into attitudes within target markets*

#### We can broaden this discussion to include:

- *Investment strategy: modelling impact of asset disposals and acquisitions*
- *Availability of finance and stress testing facility covenants*
- *Impact on net returns of anticipated changes to tax rules*
- *Corporate restructuring and relocation: employee and stakeholder engagement; tax implications of different options*
- *Impact assessment – evaluation of economic and social impacts of policy and regulatory change*
- *Scenario analysis – modelling of business performance under alternative scenarios*

Following the EU referendum result in June 2016, the UK faces a period of unprecedented constitutional, political and regulatory change.

The long term impact of this change on the property industry is uncertain, but the short term message has been clear from the initial reaction of the markets. The fear is that an economic downturn will affect the occupier demand underpinning the sector.

Damaging uncertainty in the markets seems inevitable; but uncertainty within individual property companies is easier to resolve. FTI Consulting can help real estate businesses position themselves and seek supportive regulations and policies.

### Post-Referendum challenges

The Brexit process affects the property industry directly and indirectly through:

- **Public sector funding** - Those regeneration projects currently reliant on EU funding will be looking for a continuing commitment from the public sector.
- **Regulation** - Brussels red tape has been one of the key motivators for Brexit campaigners, but will Westminster use the opportunity to rewrite the rule book in order to reduce costs and tailor regulation to the UK? Streamlining procurement processes must be a target for the real estate sector.
- **Relocation** - Those international companies currently using the UK as a base to 'passport' their services and products into the EU could be forced to relocate, reducing demand for commercial space.
- **Recruitment** - Immigration policy could affect the supply of construction workers. It also has the potential to raise costs for occupiers in sectors such as hospitality, care and retail.
- **Investment** - A weak pound might help to boost the attractiveness of investment in the UK, partly countering the effects of uncertainty and downgrading of the UK's credit rating.
- **Demand and access to markets** - Student accommodation is commonly cited as vulnerable to a change in immigration policy. Also vulnerable are those selling overseas residential property to the UK market. The core residential property market could be affected by a tightening in mortgage lending and any drop in demand resulting from changes in immigration or residency rights.
- **Cost and reliability of supplies** - Increased construction costs would have knock-on effects for developers and occupiers.

In the short term, political change triggered by the EU Referendum result brings other challenges:

- **Policy** - Will policies championed by David Cameron and his cabinet – starter homes, Northern Powerhouse, garden villages – continue under their successors? What remains achievable in the economic and political context? Does a new ministerial team allow the industry to refresh its policy wishlist? Could business rates, VAT and private rented sector, for example, be reconsidered? In the event of an early election, can the industry influence manifesto content?
- **Major projects** - What does a change of Prime Minister mean for airport expansion in the South East? Will planned infrastructure remain a priority? Would independence for Scotland weaken the case for high speed rail?

# Your FTI Consulting team

Post-Referendum public affairs  
Real estate

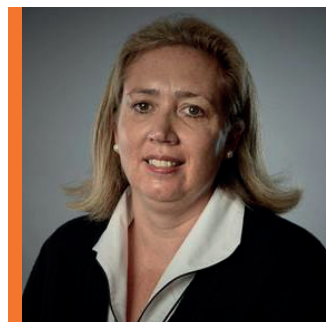
Sitting within FTI Consulting's 160+ strong UK Strategic Communications team, our public affairs practitioners work jointly with our in-house sector specialists, risk experts, tax advisers and competition economists. Closely integrated with FTI Consulting's public affairs teams in Washington, Brussels, Berlin and Paris we ensure the right messages are delivered at the right time through the appropriate channels. Our team of advisers combines public affairs and real estate specialists:



## Louise Harvey

Chairman Strategic Communications (Brussels) [louise.harvey@fticonsulting.com](mailto:louise.harvey@fticonsulting.com)

Louise has over 25 years' experience in consultancy and is skilled in running multi-country programmes for clients. A Member of the Board of AmCham EU, she has strong international management expertise and leadership qualities, having run public relations and public affairs businesses in the Netherlands, Belgium and the UK. Louise is a former President of the British Chamber of Commerce in Belgium and a Vice Chairman of a large communications and public affairs company. She was awarded an OBE for services to British business in Belgium in 2004. Before moving into consultancy, Louise worked for 13 years for the British Foreign Office. She was awarded an MVO for services to The Queen in 1979.



## Fiona Holroyde

Managing Director, Public Affairs UK (London) [fiona.holroyde@fticonsulting.com](mailto:fiona.holroyde@fticonsulting.com)

Fiona has twenty years' experience of advising businesses at board level on public affairs and corporate communication issues. Prior to joining FTI Consulting, Fiona spent a year advising Royal Mail Group on UK and EU policy issues which included the European Commission's consultation on the Digital Single Market. Before Royal Mail Group, Fiona was Managing Director and Head of Public Affairs at MHP Communications for five years. Prior to MHP, Fiona held senior roles at FD, Bell Pottinger and Brunswick where clients she worked with included Ineos, BrightHouse, Ofcom, British Airways, McDonald's and the Barclay Brothers. Her clients in the property and real estate sector have included the NHBC, NFoPP and RICS. Fiona read Politics at Bristol University and after briefly working for Julian Brazier MP started her career at the CBI working with Lord Turner and Lord Marshall.



## Andrew Johnson

Senior Director, Real Estate (London) [andrew.johnson@fticonsulting.com](mailto:andrew.johnson@fticonsulting.com)

Andrew's experience includes the top ten UK housebuilders, energy companies, property investment companies, retail and leisure. Andrew has a broad range of experience in the planning and development sector, with a particular specialism in the Government's planning policy, housing, local government public affairs and community consultation. After completing an MA in Diplomacy and International Relations, Andrew worked for the Office of the Deputy Prime Minister, Angela Browning MP and for Surrey County Council before joining a PR consultancy specialising in planning. Andrew is a former councillor and Cabinet Member for Housing at the London Borough of Hammersmith & Fulham.



## Phil Kennedy

Senior Director, Real Estate (London) [phil.kennedy@fticonsulting.com](mailto:phil.kennedy@fticonsulting.com)

Phil works across the UK in a role that combines public relations, public affairs and community consultation. His experience since 1995 covers the sectors of town planning, housing, student accommodation, retail, industrial, leisure, energy, health and education. Phil has won political and community support for controversial development proposals and has helped build the case for new policy at local and national level. His experience ranges from campaigning for regulatory change to ministerial meetings and party conference events. Phil is a member of the Chartered Institute of Public Relations and is registered as a lobbyist with the UK Lobbying Register and through FTI with the Association of Professional Political Consultants.