



Transforming UK Life Science Sites

A Toolkit for Action

March 2016



Ministerial Foreword



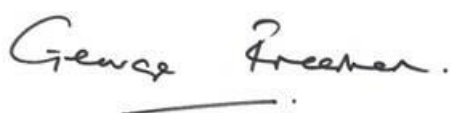
I am delighted to present this report 'Transforming UK Life Science Sites - A Toolkit for Action' that has been produced by leaders in the sector from their own experience of growing and transitioning important UK sites. The UK has one of the strongest, most dynamic and globally competitive life science industries in the world that generates annual turnover of over £50 billion, employs over 180,000 and ranks top in Europe

in attracting foreign direct investment. However, the global business model is continually changing and presents ongoing challenges as personalised medicines, outsourcing and offshoring result in fewer large single business manufacturing and R&D sites.

Many businesses in the UK have been through the process of growing, diversifying and repurposing sites and many Councils and Local Enterprise Partnerships have been active in supporting and strengthening the life sciences offer in their localities. At Alderley Park and Sandwich, the OLS, LEPs and Councils have shown the value of constructive early discussions with a downsizing company to look at how the physical and human assets of a site can be harvested and recycled into incubator sites for smaller companies, for whom the access to state-of-the-art facilities in a pharma campus can be hugely valuable. This report and toolkit is a fantastic starting point for those facing major change at key life science sites and aims to capture that valuable knowledge and experience to share with others across the UK. It's for that reason that we invited the relevant agencies to come together in a task force and pull together a Toolkit for Action.

Working together, Government and the sector can ensure the continued growth of the UK life sciences industry that plays such a vital role in contributing to prosperity and improved healthcare for all. This toolkit can help you with horizon-scanning and future-proofing your valuable life science sites and I look forward to the emergence of 'Life Science Opportunity Zones' and hope they can be a lever for local investment.

I would like to thank all those who have given their time generously to identify the lessons learned, case studies and recommendations, and continue to offer their support to others in the sector.

A handwritten signature in black ink that reads "George Freeman".

George Freeman MP

Minister for Life Sciences

A handwritten signature in blue ink that reads "James Wharton".

James Wharton MP

Minister for Local Growth and
the Northern Powerhouse

Introduction

The UK has one of the strongest and most competitive life science industries globally, employing 183,000 people in 4400 companies and with an annual turnover of £56 billion. As a result of this global position, actors in the sector in the UK have amassed a significant level of expertise and experience developing and growing successful life science sites in a rapidly changing global marketplace.

Alongside this, a number of major recent relocation decisions from sites such as Alderley Park in Cheshire, and Discovery Park in Kent, mean that there is a wealth of knowledge available in effectively repurposing and supporting sites undergoing disinvestment and major change.

With the support of George Freeman MP, Minister for Life Sciences, a group of leaders in the sector have come together to collate this unique knowledge and expertise into a single point of reference for all actors in the life science sector and beyond.

This toolkit seeks to provide a single first source of information and advice for all those involved in supporting the growth of life science sites in the UK. It shares best practice from case studies from the UK and around the world; provides key questions and issues to consider; and lists further sources of information and support. It is targeted at an audience of stakeholders, from both the public and private sectors, who are actively involved in creating new life science sites, growing existing ones, and repurposing those undergoing change. Crucially, this toolkit seeks to provide the information and questions needed to begin conversations between different stakeholders, and provide details of further sources of guidance and support.

A number of recommendations for both Government and wider stakeholders are put forward, including a recommendation to create a new designation of 'Life Science Opportunity Zones' to celebrate those sites which either could or are already benefiting from diversification and growth. Creation of a specialist designation for the sector will help to focus national attention and encourage a collective approach to maintaining and enhancing growth of the UK's life science asset base.

The following organisations have contributed to the development of this toolkit:



Life Sciences Hub | Wales
Canolfan Gwyddorau Bywyd | Cymru



Responding to Change

The global life science sector is changing rapidly and all actors need to effectively respond to and manage this change. Many large firms are reshaping their business models through outsourcing and open innovation, creating new business opportunities for smaller companies. The propensity to cluster in order to innovate continues to be a strong feature of the R&D landscape, with opportunities to cross-fertilise ideas of paramount importance to firms of all sizes. Such trends present a notable opportunity for new ways of working to be promoted and explored, with some of the UK's major pharma assets obvious locations to benefit.

Case Study: High Tech Campus, Eindhoven

The Philips' site in Eindhoven is a good example of where a successful site has been opened up to other occupiers in order to capitalise on opportunities for collaboration and cross-fertilisation. The company found that the most innovative organisations developed where teams from different projects and disciplines interacted under a model of open innovation. Significant capital was invested to open up the site to other companies around a central social hub where people could network. In addition to shared physical infrastructure, Philips encouraged internal operational and cultural change by identifying outsourcing opportunities and shared equipment schemes. The campus now houses more than 100 companies and institutions, employing over 8,000 R&D staff from 50 nationalities.



Sites wishing to capitalise on the changes to the sector, as demonstrated at High Tech Campus, need to consider areas such as:

- Appetite and scope for opening up a site to encourage collaboration and new ways of working
- Opportunities for co-location on site and how this can be facilitated
- Opportunities for softer methods of encouraging cross-fertilisation (e.g. through opportunities for sharing of equipment and facilities)
- Likely demand for such opportunities from the wider sector

Suggested approaches to beginning these initial discussions are considered in this toolkit.

Change is not always voluntary and planned. Indeed, there have been a number of recent examples in the UK where life science sites have been forced to change and repurpose due to the decision by a company to relocate and sell a site. Managing change in this circumstance can act as a catalyst for opening up a site and requires similar considerations to those above.

In addition, issues such as supporting and retaining an existing workforce, addressing the long term financing of a site, and attracting investment are discussed in turn in this toolkit.

Case Study: Discovery Park, Kent

Following Pfizer's decision to downsize its operations, divest the site and become a tenant in 2011, local stakeholders worked closely with the company to secure the successful sale of the site to a recognised and credible regeneration company. Working in partnership with new owners, Discovery Park, Pfizer has retained 670 direct staff and additional contractors on site for the long term. Discovery Park have worked with numerous stakeholders and interested investors to positively position the site as a location for various life science businesses and other operations. As of December 2015 the site is home to over 125 companies employing 2,400 people.



Key Questions Checklist

1. What are the drivers of change in your specific context?
2. What opportunities does this change present?
3. What are the challenges?

Local Leadership

In order to effectively respond to change, either that resulting from a desire to open up and diversify a site or from a relocation or disinvestment, local leadership is an essential ingredient for all sites.

High level representation and involvement from stakeholders across the public and private sectors is essential for developing a clear vision for the future growth of a site and ensuring that it is located at the heart of local and regional agendas.

A number of sites have successfully created Taskforces to coordinate stakeholder input and provide a clear mechanism for leadership. Such Taskforces, comprised of senior stakeholders, and including engagement at Ministerial level with designated senior civil servant support, can play a vital role in championing a site and providing helpful oversight and guidance.

In the event of an impending relocation or closure announcement, it is essential that a Taskforce is mobilised as quickly as possible to capitalise on early momentum.

A model Terms of Reference for a Taskforce is provided in Appendix 1 which can be amended and revised to fit local contexts as required.

Case Study – Alderley Park Taskforce

In response to AstraZeneca's decision to relocate the majority of its R&D activity from Alderley Park in Cheshire, a Taskforce comprising of senior local and regional stakeholders was established, co-chaired by AstraZeneca's Vice President and the Government's Life Science Advisor. The Taskforce developed an agreed long term vision for the site and coordinated a series of workstreams which addressed planning, funding and investment opportunities, and securing inward investment. The Taskforce played a pivotal role in raising the profile of the site at a national level and coordinating the input of stakeholders.



Key Questions Checklist

1. Is a Taskforce an appropriate vehicle for overseeing the vision of your site?
2. What will the aims and objectives of the Taskforce be?
3. Who is best placed to chair the Taskforce?
4. Are the model Terms of Reference appropriate for the local context?

Stakeholders

In the recent examples of growing and repurposing life science sites the strong collaboration and partnership between a wide range of public and private sector stakeholders has been of paramount importance. In the case of a relocation, the close and early involvement of both the new and departing sites owners is of paramount importance in order to secure positive long term relationships and open dialogue around potential new developments. Such involvement is also essential for collating full information on the site (both in terms of property and running costs) which enables a realistic long term vision for the site to be developed based on accurate intelligence.

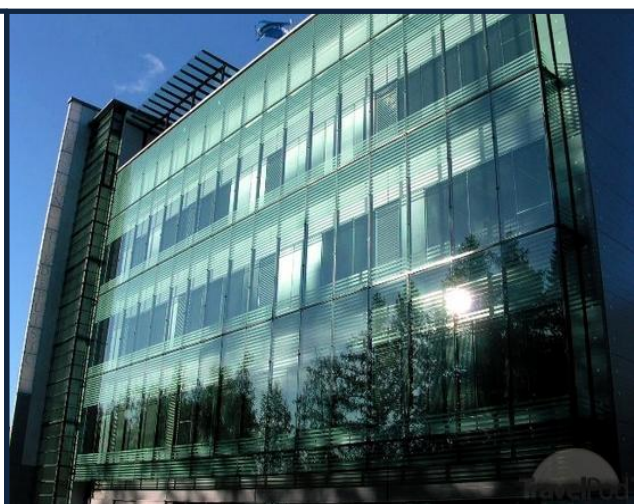
The involvement of local authorities and Local Enterprise Partnerships (LEPs) is also essential to ensure that the future vision for a site is fully embedded within and aligned to wider strategies and priorities in the local and sub-regional area. This is particularly helpful with regards to issues such as highways, planning and local skills provision where statutory agencies should allocate designated senior contacts. Regular contact with relevant central government departments, including BIS and UKTI is important to ensure that actions are aligned to national agendas and opportunities.

Depending on the scale and impact, the following list of stakeholders should be considered for involvement in the Taskforce, reporting to a designated Minister in appropriate circumstances:

- Current/ new/ departing site owner (as appropriate)
- Local authority (economic development or inward investment service)
- Local Enterprise Partnership
- Local MP
- Office for Life Sciences (BIS and Department for Health)
- BIS Local
- Local universities or education providers
- Sub-regional stakeholders (e.g. neighbouring Local Authority)
- Local business groups (e.g. Chambers of Commerce/ industry bodies)
- Advisor(s) from the Life Science Toolkit (see page 21)

Case Study – Joensuu Science Park, Finland

Joensuu Science Park in Finland operates a stakeholder and cooperation network in order to bring together those organisations involved in the park. Stakeholders include companies operating on the park; companies operating nearby; local universities; local government; regional government; industry bodies and training providers. The park owners have used the network to create a 'sustainable community' of stakeholders who continue to be involved in the growth of the park in the long term.



Case Study – Discovery Park

At Discovery Park, the management team has kept much of the supporting network in place even though officially the Taskforce has been stood down. Many of the Taskforce members, supported by more recent additions, are continuing to work together to maximise the vibrancy of the Park and the interaction between companies located there and in the nearby areas. This is resulting in significant collaboration between companies and, in some cases, the sourcing of over 90% of goods and services from the immediate area.



Key Questions Checklist

1. Which local stakeholders should be represented on the Taskforce?
2. Is political support required from local MPs or councillors?
3. How might differing stakeholder views be managed?

“Working proactively and engaging with businesses and private sector stakeholders has proven vital in understanding their ambitions and identifying opportunities for a site. As a local authority we are able to lead and drive this engagement in addition to providing input and guidance on a wide range of issues, such as planning and highways, which are essential when considering future plans for a site. When this knowledge and input is combined with that from key private sector stakeholders and local business groups, we can collectively take a fully holistic view of the context within which a site is positioned”.

- Caroline Simpson, Executive Director for Economic Growth and Prosperity, Cheshire East Council

Setting a Long Term Vision

The early development of a long term vision for a site in response to change is vital for coordinating activity and ensuring all stakeholders are aligned to achieving agreed goals and objectives. Crucially, the vision for a site should extend into the longer term of between 5 and 10 years to ensure that actions and developments are fully sustainable within a longer timeframe. Any vision should be cognisant of the wider trends and opportunities in the sector and consider their local impact over the long term.

In the context of opening up a site, a long term vision is essential for providing the framework within which workstreams will be carried out and ensuring that all stakeholders are aligned in their objectives. In this context, effort should be made to gauge and gather evidence for demand for the vision, particularly if it includes the provision of incubation or shared workspace, or the presence of other organisations on site.

Case Study – Discovery Park

Following their purchase of Pfizer's former R&D site, Discovery Park collaborated with local stakeholders to develop a long term vision for the site to create 3000 jobs by 2017. By focusing on the long term sustainability of the site, focus has been on creating a 'total place' through a mix of land uses which will ultimately support job creation and growth whilst complementing the science focus of the site. This vision was developed in collaboration with the local authorities, Pfizer and other key local and regional stakeholders, and has underpinned the ongoing work to redevelop and grow the site.



An honest and open discussion should take place involving all stakeholders on the Taskforce on the potential for the site which considers both the opportunities and challenges in the short, medium, and longer term, and the social and business environment within which the site sits.. This could be informed by an independent economic impact assessment and demand study to help provide tangible evidence to inform the vision for the site. In some cases, a site may not be successful in continuing with a life sciences focus, particularly if there has been a good reason why a site has failed or a company has pulled out. In this context, realism is crucial.

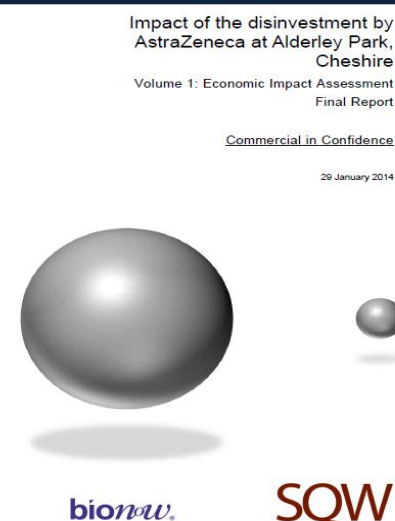
It is vital that a site is able to generate new business and investment and that demand is not merely coming from businesses being displaced from other sites in the area.

The following issues could be considered as part of these discussions:

- Opportunities and challenges for the site
- The individual ambitions of stakeholders and how these can be aligned
- The rationale and evidence which can be used to support the vision
- The local, regional and national policy context and how these align with the vision

Case Study – Alderley Park

An early action of the Alderley Park Taskforce was to commission an independent economic impact assessment to fully understand the impact of AstraZeneca's planned relocation on the local and sub-regional economies. This was used to provide a basis on which to develop the long term vision for the site. Once completed, a demand assessment was also undertaken to understand realistic future occupancy levels and demand for space. This information was essential to building a case for public and private sector investment.



Once a long term vision has been agreed, a Taskforce should consider how this vision will be communicated. Sharing the vision with relevant stakeholders beyond the Taskforce is essential for ensuring buy-in and support, and for raising the profile of a site. Communication with the following bodies should be considered:

- UK Trade and Investment (UKTI) – for support with international marketing
- Local SME base – to promote opportunities for relocation
- Local developers – to promote investment opportunities
- Existing staff on the site – to provide clarity on how change might affect them

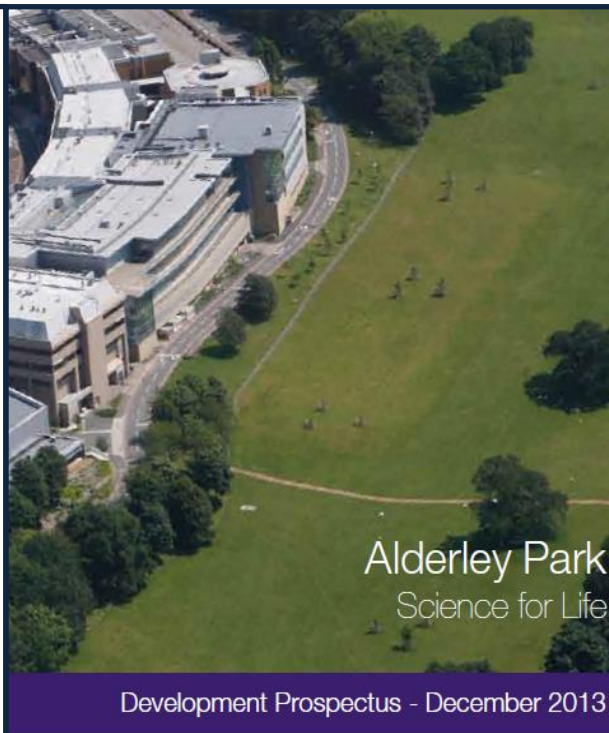
Whilst press releases and general marketing can be used to promote the vision for the site, more formal documents can also be used. This might be of particular use where the local planning system is needed to support delivery of the vision.

Key Questions Checklist

1. What are the challenges and opportunities for the site?
2. Does the vision align to local and national policy agendas?
3. Is the vision supported by all stakeholders?
4. Who else needs to be involved to deliver the vision?
5. Is there clear evidence and rationale to support the vision?
6. How and to whom will the vision be communicated?
7. How can local planning policy be used to support delivery of the vision?

Case Study – Alderley Park Development Prospectus

The Alderley Park Taskforce quickly agreed a long term vision for the site which would see the growth of the site as a world-class life science park. In order to deliver this vision, remodelling and redevelopment of some areas of the site would be required. Through its role on the Taskforce, the local planning authority, Cheshire East Council, produced a Development Prospectus for the site which embedded the vision within local and national planning policy and set out how it could be delivered in spatial terms. This presented a clear position to developers, supported by evidence and planning policy, demonstrating how the vision of the site could be delivered in practice. The Prospectus was formally endorsed by the Council's Cabinet, demonstrating the clear support for the vision from a major stakeholder.



“Setting a long term vision for Alderley Park at an early stage in the process and representing this through the Development Prospectus enabled us to reflect on what the strengths of the site were and collectively set out our ambitions for the site’s future. We used this clear statement to give confidence to potential new owners, developers and investors by illustrating our strong collective commitment to this vision. With the involvement of Cheshire East Council in producing the document, we were able to ensure that our vision was aligned to emerging local planning policy, something which will be essential as the site is redeveloped.”

- Chris Brinsmead CBE, Joint Chair of the Alderley Park Taskforce

Addressing Finance

Throughout the development of a long term vision for the site, consideration should be given to how it will be funded to ensure that it is deliverable and achievable. Once agreed, a long term funding strategy for a site should be developed which fully aligns to this vision. The following steps should be considered when developing such a strategy:

Step 1: Identify where funding is required to realise the vision in both the short, medium, and long terms



Step 2: Identify funding opportunities available by assessing the current landscape at both the national, regional, sub-regional and local levels



Step 3: Identify any anticipated funding gaps



Step 4: In the case of a relocation, consider potential legacy investments which could support delivery of the vision



Step 5: Set out a pathway and clear timeline for accessing funding opportunities in order to achieve the vision

Case Study – Alderley Park Funding Strategy

Once a vision for Alderley Park had been agreed, a funding strategy was produced by the Taskforce to set out a clear roadmap for targeting funding opportunities in order to deliver the vision prior to a new owner being secured. A review of existing funding programmes was carried out using the expertise of local authorities and LEP members of the Taskforce. The strategy was used to initiate funding bids to a number of public and private sector programmes, with a total of £16m secured for the benefit of the site.

Alderley Park

Science for Life
Funding Strategy



Key Questions Checklist

1. Is there a funding gap in delivering the vision in either the long or short term?
2. What potential funding sources are available through existing and future funding programmes?
3. Do the identified funding sources align to local requirements?
4. What stakeholder input is required to access these funding options?
5. Are there other innovative funding options which could be considered?

It is important that any funding strategy looks beyond capital expenditure but also considers revenue generation in the early stages before a site becomes fully self-sustaining.

Consideration could be given to a number of funding programmes European Regional Development Fund (ERDF) and European Structural Investment Funds (ESF). If the life science sector has been identified as a priority growth sector by the LEP, support may be available through the Local Growth Fund. This could be utilised to fund capital investment or running costs.

Case Study – Discovery Park

Discovery Park has successfully applied for a capital grant from DCLG to accelerate work to refurbish the former Pfizer labs, offices and manufacturing site, and overcome the practical difficulties of adapting buildings designed for just one occupier to be used by many.

Loan finance from the Growing Places Fund has been approved to install infrastructure to open-up unserviced land to enable new-build development to proceed as part of the next phase in Discovery Park's renaissance.



Case Study – Merck Site at Newhouse, Glasgow

Merck's former 23acre site was acquired by BioCity in 2012 for a nominal sum and Merck additionally provided £1m towards initial running costs. This injection of cash proved valuable in enabling the new owners to focus their investment on remodelling the site and making it attractive to further investment by companies. The site, renamed as BioCity Scotland provides 130,000sqft of state-of-the-art lab space for companies of all sizes and is now home to over 30 companies.



Local authorities also have the ability to apply flexibilities to business rates for a site. Reliefs and flexibilities are at the discretion of the Local Authority and should be discussed at an early stage.

Sites may also be eligible to apply to become Enterprise Zones. Enterprise Zone status is applied by government following a competitive application process and enables sites to benefit from a number of mechanisms to attract and support new business and jobs growth. Benefits include:

1. Use of the Enterprise Zone 'label' as part a site's marketing approach
2. A business rates discount worth up to £275,000 per business over a five year period
3. Government help to simplify planning for the zone, for example through Local Development Order powers
4. Government support to ensure that superfast broadband is rolled out throughout the zone

Further information on Enterprise Zones and other funding programmes can be provided by your local enterprise partnership.

Key Questions Checklist

1. How will your proposals deliver genuine economic growth additional to that which would be achieved without Enterprise Zone status?
2. How many new businesses and jobs will your proposals create?
3. What package of measures could you bring in addition to those available as an Enterprise Zone?
4. How will the development of the Enterprise Zone benefit the wider community and economy?
5. How will you ensure that incentives or subsidies encourage sustainable employment and business growth?

"These sites present huge opportunities but also have serious challenges, and if they are to be overcome consideration must be given to the requirement to fund projects through to sustainability which means ensuring sufficient revenue is available for at least the first two years. It is important when considering demand for space that a thorough understanding is gained to ensure that this is new demand and that activities are not merely being displaced from other local business parks and providers."

- John Lewis, Managing Director, SOG Ltd & Londoneast-uk Ltd

Supporting People

A skilled workforce is an important part of a site's USP and is an essential element in opening up or repurposing a site. In the case of a relocation, supporting and retaining existing staff has proven essential in a number of cases in delivering a faster and more effective recovery, and in maintaining the intellectual capital as an opportunity asset for the local area. In particular, supporting staff, both scientists and technicians, in making decisions about their future can have a significant impact on the viability of a site through the creation of new jobs and business opportunities. Such support needs to be delivered quickly to capture entrepreneurial activity and expertise already on site, as delay can lead to its dispersal. In sites where such support has not been given or has been given too slowly, no spin-out or start-up companies have been reported with subsequent consequences for the economic viability of sites.

In opening up and diversifying a site, the skills and knowledge of the existing workforce will be a key attractor to the site given the opportunities for cross-fertilisation and collaboration this can present to companies wishing to co-locate.

A number of different mechanisms for supporting staff have been adopted successfully in various cases:

- Effective signposting of new opportunities for staff in collaboration with the local authorities and Chambers of Commerce
- Delivery of 'bootcamps' to help existing and future staff identify business opportunities
- Establishment of a mentoring network using existing expertise on site and in the local area to support new business ideas
- Use of small-business rates relief to support staff in setting up new companies
- Provision of small-scale start-up funding to support new business ideas

Case Study – Alderley Park BioHub

In advance of AstraZeneca's decision to relocate, intensive and specialist support was introduced for AstraZeneca staff considering new start-up ventures. In particular, a number of intensive 2-3 day "bootcamps" were held to kickstart the business creation process, develop early business ideas, and assist in the creation of credible and realistic business plans. This continues to be underpinned by a highly successful mentoring programme using the wealth of knowledge and experience held by local AstraZeneca alumni. As a result of this early intervention, 10-30 companies are expected to be created by former AstraZeneca staff. Further support has been provided through the creation of a £5m investment fund funded by AstraZeneca to support the development of new businesses on the site.



Case Study – BioCity Scotland

In partnership with North Lanarkshire Council, BioCity Scotland holds regular bootcamps for aspiring life science entrepreneurs looking to commercialise a business idea or to gain a greater understanding of enterprise. Over the three-day courses delegates benefit from one-to-one mentoring on topics ranging from market research and intellectual property to leadership and business promotion. The bootcamps culminate in a final 'dragons den-style' event where delegates present their business ideas to a panel of entrepreneurs and experts. The winning pitches receive office space for a year at BioCity Scotland, alongside professional business advice in legal, finance and regulatory affairs.



Key Questions Checklist

1. What information is available about the staff on site?
2. Is an audit required to gather more information?
3. What expertise and skills might play a role in attracting others to the site?
4. How will existing staff be affected by the change?
5. How could they be supported if this change is likely to have a negative impact on their current employment?

“There are many highly trained scientific experts exiting AstraZeneca over the next two years with significant and irreplaceable science skills that we need to retain. However, most of these people have little or no idea on how to start a business. I went along to the Bootcamp uncertain if setting up in business was something I could do but it took me on a journey through uncertainty to inspiration and energy - I learned that testing a business idea is like doing good science - test a hypothesis using data and evolve the idea based on evidence. I am totally convinced that the Bootcamp will massively increase the probability of success for me and for all the other participants who decide to move forward with ideas for new bioscience businesses at Alderley Park”

– Professor Ruth Roberts, Co-Director and Co-Founder, Apconix

Diversifying Site Activities

The increasing focus in the global life science sector on personalisation of medicines, the need to adapt to technological change, and recognition of the need for cross-fertilisation mean that opportunities for collaboration and interaction with other industries beyond the life sciences is now an integral feature of the sector. For life science sites, this gives a stronger impetus to open up greater opportunities for cross-fertilisation with other sectors through the co-location of businesses or organisations on site.

Case Study – Research Triangle Park, North Carolina

Research Triangle Park is the largest high tech research and science park in North America. The 7000 acre site is now home to over 170 companies employing 390,000 people. The park's success has in part been due to collaborations with nearby universities and a broad range of companies locating there, with pharmaceutical, biotech, telecommunications, and microelectronic companies all in close proximity. Companies such as Merck have been attracted by the potential for open innovation with leading digital companies such as IBM and Ericsson.



In addition, building a strong community of supporting businesses, such as financial providers, legal advisors, and IP specialists can act as a magnet for other businesses and has proven valuable in a number of sites.

Case Study – Discovery Park

Science and technology will remain core to Discovery Park's activities, but the extensive range of office accommodation on site has proven attractive to business support companies such as accountants, finance companies and website designers. Many of the science companies report that having this support close to hand is very useful. In turn, the support companies have learnt more about the specific requirements of the science companies and have increased the range of services they offer. The effect has been a rapid growth in many companies:

- Mylan, a US-owned pharma company has grown its staff from 27 in 2012 to around 240 in 2015.
- Kreston Reeves accountants have grown their team on site from 3 to 30 since 2013.



A number of sites have also diversified their wider uses in order to unlock capital to retain and enhance critical R&D assets. Such 'enabling' uses can provide a useful mechanism for providing capital to prevent the loss of those R&D assets and facilities which are a key part of a site's USP and are essential for its long term sustainability as a life science site. Residential and retail uses are just some of the land uses which could be considered subject to local planning considerations.

Case Study – SOG LondonEast, Dagenham

Following their success in repurposing The Heath in Runcorn, SOG are regenerating 17 acres at the heart of the former Sanofi site in Dagenham to create a high-spec Science and Technical Park. SOG have focused on retaining the highest quality Sanofi assets and facilities in this core area, with the remaining areas of the site being considered for uses, including a supermarket and warehousing.



In practice, such diversification can be facilitated through the use of Local Development Orders. Local Development Orders, adopted by the local planning authority, give a grant of planning permission to specific types of development within a defined area. They help to streamline the planning process by removing the need for developers to submit a planning application for these uses. They can be a useful mechanism for creating certainty and facilitating the development of certain types of activity on a site. Further information on pursuing a Local Development Order should be sought from the local planning authority.

Consideration should be given at an early stage to how diversification of activities, whether through the co-location of other sectors or introduction of enabling landuses, might impact on a site's core life science capability. Any diversification needs to be balanced with recognition of the risks of diluting a site's focus and potential undermining of its USP.

Case Study – Discovery Park LDO

Adopted by Dover District Council in March 2013, the LDO effectively grants planning permission for certain uses, minor works and demolition with the aim of easing the burden on business development making it easier for economic growth to proceed. The LDO is designed to enable businesses to adapt existing premises to their individual requirements without the need to apply for planning permission. In general terms the LDO promotes accessibility into and between buildings; the generation of renewable energy; and small-scale extensions. The Order sets out the limits to these works and the conditions that apply.



**Discovery Park
Enterprise Zone**

Adopted
Local Development Order

25 March 2013

Case Study – Milton Park LDO, Science Vale

Vale of White Horse District Council approved the adoption of the Milton Park LDO in 2012 following a four week period of public consultation. The purpose of the Milton Park LDO is to enable a vibrant business area, promoting employment generating uses at the business park to maximise the success of Science Vale UK Enterprise Zone. With a lifetime of 15 years, reflecting the length of many business leases, the LDO aims to give greater confidence to business to invest in Milton Park.

The LDO document simplifies planning controls in order to give greater flexibility for businesses to develop new premises and facilities or adapt existing ones, whilst maintaining a successful and diverse mix of employment generating uses which can co-exist alongside important natural and heritage assets.



Key Questions Checklist

1. Which other sectors or providers might be useful for cross-fertilisation and collaboration with life science activity on the site?
2. Are other land uses needed to enable retention of core science assets?
3. How will diversification be balanced with the risk of dilution of focus and specialism?
4. Is there a role for a Local Development Order in supporting this diversification?

"Alderley Park holds an international reputation for life sciences. Transitioning Alderley Park from a facility built for a single occupier to a campus which is home to a diverse community of bio and life science businesses at every growth stage requires significant levels of investment and time. Our plans for Alderley Park incorporate a range of on-site uses including high value residential, new sport and leisure facilities, and local amenity provision; all designed to complement and support the grow of world-class science."

- Rowena Burns, Chief Executive, Manchester Science Partnerships

Retaining Anchor Tenants

Retaining and attracting major anchor tenants is key for leveraging further investment into a site, whether this be in the case of a major repurposing or growth of a site under an existing owner. The presence of a number of large anchor tenants can form a significant part of a site's USP and will help attract other occupiers and investment.

Access to global pharma supply chains, expertise and highly skilled staff, and facilities and equipment are strong attractors to SMEs and can play a pivotal role in making the diversification of a site viable and achievable. Early engagement with UKTI and local authorities is a valuable mechanism for identifying investment opportunities from potential anchor tenants.

Case Study – GE Innovation Village, Cardiff

GE Healthcare is a strong advocate of lean manufacturing and agile approaches to project delivery. As such the site in Cardiff, some 30 acres employing over 400 people, recognised that the current footprint for research, manufacturing and supply-chain could be reduced whilst increasing productivity. The output of this activity was the release of significant office, laboratory and storage areas alongside existing GE facilities. Rather than letting these fallow spaces fall in to disrepair, GE repurposed them as the Innovation Village where SMEs could co-locate alongside the continuing global business, which is a major USP for the tenants.

GE are not just the landlord taking a modest rental revenue but by providing access to equipment, expertise, supply chain infrastructure and a global distribution network the relationship is more collaborative – again an attractive proposition for SMEs.

Since the launch in April 2015, the first phase Innovation Village has had 100% occupancy within 6 weeks of opening the doors. Currently there are several companies employing over 35 staff from a range of sectors. GE Healthcare has reported benefitting from the collaborative opportunities by nature of that fact that they have carefully selected companies that most align with the company's on-going portfolio.



Key Questions Checklist

1. What factors can be used to attract major anchor tenants to the site?
2. How can opportunities for cross-fertilisation and interaction between anchor tenants and others be facilitated?
3. In the case of a major company selling their site, is there an opportunity for them to retain some form of presence on the site in the long term after their relocation?
4. If the company does stay in a reduced capacity, what measures can be put in place to help them influence and adapt to the new site management arrangements?

"The real benefits for CMD are the synergistic relationships that can form between those working here. It also gives access to equipment we couldn't otherwise afford and potential business opportunities with GE in the future. It's a match made in heaven."

- Professor Chris Allender, Co-Founder, CMD

"We are growing and aspire to develop more international engagement. We hope that associating with GE will help us to double in size within the next 18 months to two years."

- Dr Jeremy Jones, Director, Fulcrum Direct

"NCL established our incubation facility at Discovery Park 18 months ago. We chose the park due to the fantastic infrastructure that would enable our young companies to grow with in a high grade pharmaceutical environment. The team have managed to create an atmosphere of collaboration between the companies that has enabled our businesses to thrive. Being located alongside major industrial partners, in a centre renowned for its innovation, naturally attracts high growth businesses."

– Jeremy Biggs, COE, NCL Innovation

Life Science Opportunity Zones

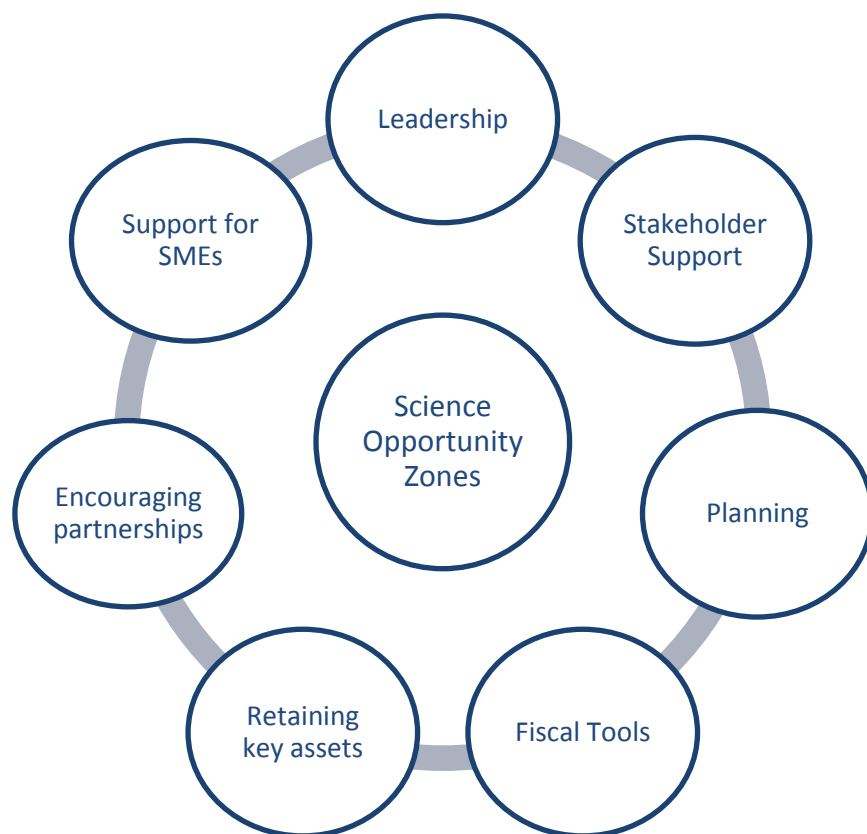
The authors of this toolkit have reviewed the lessons and experiences identified from international and national best practice and believe that a national response to support life science sites would be of significant benefit to the sector. Designation of selected sites as 'Life Science Opportunity Zones' is positive and long term measure which will enable key assets to be developed over the next 10-15 years to become the next generation of life science sites in the UK as part of a global market. Such a mechanism will allow Government to have a structured overview of assets in the industry, and will facilitate a strengthened cooperative relationship with industry and major stakeholders.

Critically, the designation of Life Science Opportunity Zones will:

- Capitalise on the global trends in the industry to promote innovation and growth in the sector
- Build on the experience of Enterprise Zones to provide a positive label and platform for sites which can be used to leverage further investment
- Provide a positive set of long term mechanisms to future-proof sites whilst also delivering tangible benefits to them in the immediate term
- Maximise the opportunity for the growth of a new generation of life science businesses
- Maintain innovation and productivity at sites under pressure from other uses
- Minimise the impact of pharma site closures on the sector and local economies by encouraging the retention of key assets and activities
- Support sites which have recently been repurposed over the critical first 10-15 year period and ensure that early growth is maintained

'Life Science Opportunity Zone' status seeks not to be used as just a reactionary tool for when a relocation decision might be made, but as a positive and long term set of measures relating to the key issues raised in this toolkit, which can be used to support the growth of sites and avoid such decisions being taken in the first place. Crucially, the designation of such zones will act as a cooperation between Government and industry, with a two-way flow of support.

Sites interested in pursuing a Life Science Opportunity Zone designation are encouraged to contact the Office for Life Sciences: Officeforlifesciences@bis.gov.uk



Recommendations

The guidance set out in this toolkit is a result of an honest and forward thinking review of the opportunities and challenges facing the UK's life science sites in an ever-changing global marketplace. As a result of this review, the following recommendations are made to all those involved in growing and supporting major sites:

1. Consider the broad range of opportunities available to all sites, both in terms of those sites going through a challenging period of change, but also those able to continue positive growth and transformation
2. Capitalise and encourage strong local leadership to champion your vision, including that provided through Local Enterprise Partnerships, local authorities, and inward investment agencies
3. Be prepared to involve key external stakeholders and organisations in your thinking
4. Be ambitious but realistic in developing a long-term vision
5. Carefully research how your vision will be delivered and financed, and consider the role of other stakeholders in realising delivery
6. Create an evidence base to support your plans, including intelligence on the needs of the companies and stakeholders you wish to attract
7. Consider how you will communicate your vision both internally and externally and whether securing a designation as a 'Life Science Opportunity Zone' could help.
8. Consider how your workforce, and other people in the local area, will be affected
9. Take a positive and pragmatic approach to local planning systems and engage with the Local Planning Authority from an early stage
10. Learn from others who have already diversified their sites using the key contacts identified in this toolkit

The following recommendations are also put forward to Government to assist in strengthening the long term relationship with the life science industry:

1. Endorse the creation of Life Science Opportunity Zones to celebrate and promote the UK's most successful and promising life science sites
2. Invite sites to nominate themselves as a pilot Life Science Opportunity Zone, and provide ministerial endorsement
3. Encourage relevant Government departments and partner organisations to provide support to Life Science Opportunity Zones as appropriate for the individual needs of each site
4. Endorse the activity of senior stakeholders noted in this toolkit in providing further advice and guidance to those managing change
5. Hold an annual roundtable event to celebrate best practice and encourage knowledge sharing between sites across the UK

Sources of Further Information and Support

In creating this toolkit, input has been provided by a wide group of senior stakeholders from the sector who have gained extensive experience in growing and repurposing major life science sites. In addition, input has been provided by the public sector bodies and organisations who have often played a key enabling role in achieving these ambitions. This wealth of expertise is a valuable resource to provide advice and guidance to those managing similar processes of change. The following stakeholders are available to provide additional support and advice:

Area of Expertise	Name and Contact Details
Setting a long term vision	<ul style="list-style-type: none"> Paul Barber, Managing Director (Discovery Park) paul.barber@discovery-park.co.uk Dr Chris Doherty, Alderley Park Site Director (MSP) Chris.doherty@mspl.co.uk John Lewis, Managing Director (SOG Ltd & Londoneast-uk Ltd) john.lewis@sog.ltd.uk Caroline Simpson, Corporate Director for Place (Stockport Council) Caroline.simpson@stockport.gov.uk
Establishing a Taskforce and gaining support	<ul style="list-style-type: none"> Paul Barber, Managing Director (Discovery Park) paul.barber@discovery-park.co.uk Amy Beasley, Senior Project Officer (Cheshire East Council) amy.beasley@cheshireeast.gov.uk Tim Ingleton, Head of Inward Investment (Dover District Council) tim.ingleton@dover.gov.uk David Smith CBE, Director of Economic Development (Kent County Council) David.smith2@kent.gov.uk
Providing effective secretariat support to a Taskforce	<ul style="list-style-type: none"> Amy Beasley, Senior Project Officer (Cheshire East Council) amy.beasley@cheshireeast.gov.uk Caroline Simpson, Corporate Director for Place (Stockport Council) Caroline.simpson@stockport.gov.uk
Supporting people and new businesses	<ul style="list-style-type: none"> Dr Glenn Crocker MBE, Chief Executive (BioCity) g.crocker@biocity.co.uk
Using local planning policy to support your vision	<ul style="list-style-type: none"> Amy Beasley, Senior Project Officer (Cheshire East Council) amy.beasley@cheshireeast.gov.uk Tim Ingleton, Head of Inward Investment (Dover District Council)

	<p>tim.ingleton@dover.gov.uk</p> <ul style="list-style-type: none"> Caroline Simpson, Corporate Director for Place (Stockport Council) Caroline.simpson@stockport.gov.uk
Developing a funding strategy	<ul style="list-style-type: none"> David Smith CBE, Director of Economic Development (Kent County Council) David.smith2@kent.gov.uk Paul Barber, Managing Director (Discovery Park) paul.barber@discovery-park.co.uk
Working effectively with a departing site owner	<ul style="list-style-type: none"> Dr Chris Doherty, Alderley Park Site Director (MSP) Chris.doherty@mspl.co.uk Paul Barber, Managing Director (Discovery Park) paul.barber@discovery-park.co.uk
Office for Life Sciences	<ul style="list-style-type: none"> Officeforlifesciences@bis.gov.uk

Appendix 1 – Model Taskforce Terms of Reference

1. Vision

What is the vision for the Taskforce? What is it seeking to achieve?

Example: to secure a vibrant future for Site X which continues to sustain high value employment and investment to stimulate continued economic contributions to the local and regional economy beyond 2016

2. Aims

What will the Taskforce try to do?

Example:

- *To explore the potential to maximise the existing supply chain, regional skills base, and modern scientific facilities at Site X, to encourage a life sciences cluster to form a strong core of the site's future.*
- *To consider sustainable business models to compliment a life sciences cluster, or if necessary to substitute for a life sciences cluster, to secure the future of Site X, with the primary aim of encouraging investment and employment opportunities to the local economy, and potentially, the wider region*
- *To consider appropriate steps to support staff affected directly or indirectly by X's relocation of R&D from Site X in conjunction with the support to be provided by others.*
- *To pull together a shared plan to deliver these goals identifying the actions which the Taskforce and other actors (including local and central government) can take to influence such an outcome.*

3. Objectives

How will the Taskforce achieve its aims?

Example:

- **Leadership:** bring together a coalition around shared objectives.
- **Understand impact:** Examine the extent of the impact on the local area, and the wider region, including impact on the supply chain and linked industries. Commission an economic impact assessment early on to help gather evidence.
- **Managing impact on local economy:** assess and mitigate the impact of the job losses on the local and regional economy and community, with the possibility of developing an alternative vision(s) for the local economy, if that is the appropriate response.
- **Site use:** with relevant stakeholders consider options for future use of the site and how it could be used to create new investment, enterprise and employment opportunities in the local economy, drawing on understanding of the impact.
- **People Support:** with relevant stakeholders, put support in place to help employees and others affected to find new jobs, to set up in business for themselves, or to gain new skills.
- **Funding streams and levers:** Bid for and manage funds and levers available at local and national level to support appropriate solutions
- **Report** to government any potential obstacles to success of enablers as required
- **Communications:** develop public messages and manage relations with local media

4. Membership

Who will sit on the Taskforce? Who will be Chair?

Example:

Members of the Taskforce are listed below:

- Xx
- Xx
- Xx
- Xx

The Taskforce will have a small core membership of the key local partners to enable discussions to remain focused amongst a small, relevant group. The Taskforce should remain locally driven and have the flexibility to adapt its focus as work develops.

The Taskforce will decide to draw in wider representation when it is needed – either from the wider geographical area or different areas of expertise. At the discretion of the Taskforce this may be drawn in on an ad hoc basis or more permanently.

Should a member of the Taskforce not be able to attend, they will be encouraged to send a representative to attend on their behalf.

5. Secretariat

Who will take responsibility for the organisation of the Taskforce and for recording and circulating the minutes?

6. Governance

How will future decisions on composition of the Taskforce be made? How often will the Taskforce meet?

Example:

The Taskforce will make decisions on its composition (such as the future involvement of other groups or individuals) on a majority basis. In the event of there being no majority, the final decision rests with the Chair.

The Taskforce will meet monthly for the first six month period and will decide thereafter on the frequency of meetings. Meetings will be held at

Agendas will be circulated 7 working days prior to meetings, and minutes will be circulated within 7 days following the meeting.

7. Duration

How long will the Taskforce operate for? When will its role be reviewed?

Example:

It is anticipated that the Taskforce will operate for at least 12 months in its initial form as set out in these Terms of Reference. The Taskforce will undertake a review at 12 months to consider whether it has a future role and to agree a new Terms of Reference if required.

8. Confidentiality

How will confidential matters and information be managed? Are Non-Disclosure Agreements required?

Example:

The Taskforce will consider a range of confidential and commercially sensitive information. Members of the Taskforce should not disclose information outside of the meetings beyond agreed lines. Non-Disclosure Agreements will be signed by all members.

9. Communications and Media

How will the Taskforce communicate its work? How will this be managed?

Example:

The Taskforce will develop a Communications Plan which will agree public messages and press notices on behalf of the Taskforce, and mechanisms for linking with the media. It is not anticipated that press releases are issued on a regular basis (i.e. after each meeting), but are issued when the Taskforce reaches significant milestones. Organisation X will provide support in these activities.

Appendix 2 – Key Questions Checklist

Responding to Change

1. *What are the drivers of change in your specific context?*
2. *What opportunities does this change present?*
3. *What are the challenges?*

Local Leadership

4. *Is a Taskforce an appropriate vehicle for overseeing the vision of your site?*
5. *What will the aims and objectives of the Taskforce be?*
6. *Who is best placed to chair the Taskforce?*
7. *Are the model Terms of Reference appropriate for the local context?*

Stakeholders

8. *Which local stakeholders should be represented on the Taskforce?*
9. *Is political support required from local MPs or councillors?*
10. *How might differing stakeholder views be managed?*

Setting a Long Term Vision

11. *What are the challenges and opportunities for the site?*
12. *Does the vision align to local and national policy agendas?*
13. *Is the vision supported by all stakeholders?*
14. *Who else needs to be involved to deliver the vision?*
15. *Is there clear evidence and rationale to support the vision?*
16. *Is an independent study needed to gather further evidence?*
17. *How and to whom will the vision be communicated?*
18. *How can local planning policy be used to support delivery of the vision?*

Addressing Finance

19. *Is there a funding gap in delivering the vision in either the long or short term?*
20. *What potential funding sources are available through existing and future funding programmes?*
21. *Do the identified funding sources align to local requirements?*
22. *What stakeholder input is required to access these funding options?*
23. *Are there other innovative funding options which could be considered?*

24. *How will your proposals deliver genuine economic growth additional to that which would be achieved without Enterprise Zone status?*
25. *How any new businesses and jobs will your proposals create?*
26. *What package of measures could you bring in addition to those available as an Enterprise Zone?*
27. *How will the development of the Enterprise Zone benefit the wider community and economy?*
28. *How will you ensure that incentives or subsidies encourage sustainable employment and business growth?*

Supporting People

29. *What information is available about the staff on site?*
30. *Is an audit required to gather more information?*
31. *What expertise and skills might play a role in attracting others to the site?*
32. *How will existing staff be affected by the change?*
33. *How could they be supported if this change is likely to have a negative impact on their current employment?*

Diversifying Site Activities

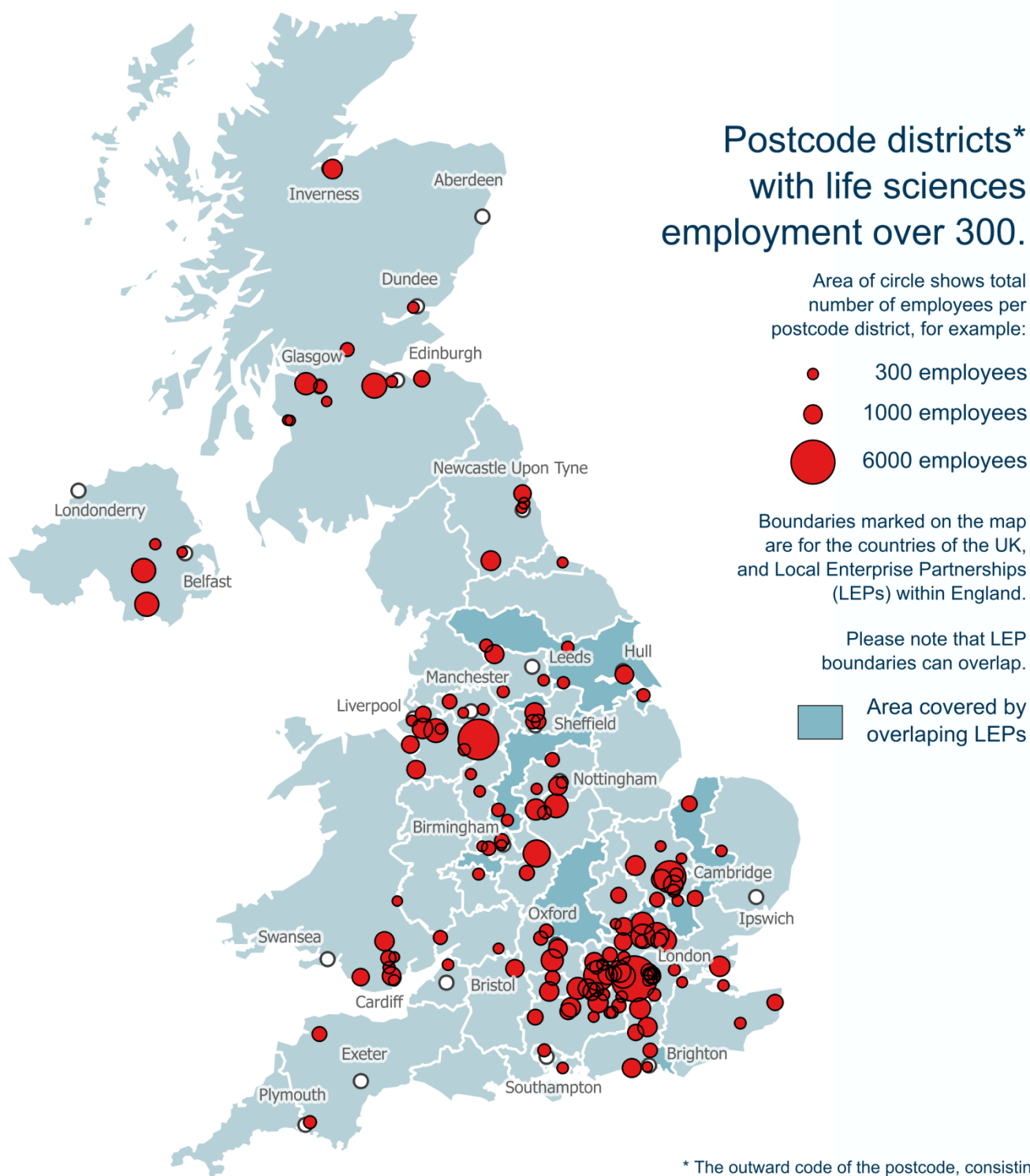
34. *What other sectors or providers might be useful for cross-fertilisation and collaboration with life science activity on the site?*
35. *Are other land uses needed to enable retention of core science assets?*
36. *How will diversification be balanced with the risk of dilution of focus and specialism?*
37. *Is there a role for a Local Development Order in supporting the diversification?*

Retaining Anchor Tenants

38. *What factors can be used to attract major anchor tenants to the site?*
39. *How can opportunities for cross-fertilisation and interaction between anchor tenants and others be facilitated?*
40. *In the case of a major company selling their site, is there an opportunity for them to retain some form of presence on the site in the long term after their relocation?*
41. *If the company does stay in a reduced capacity, what measures can be put in place to help them influence and adapt to the new site management arrangements?*



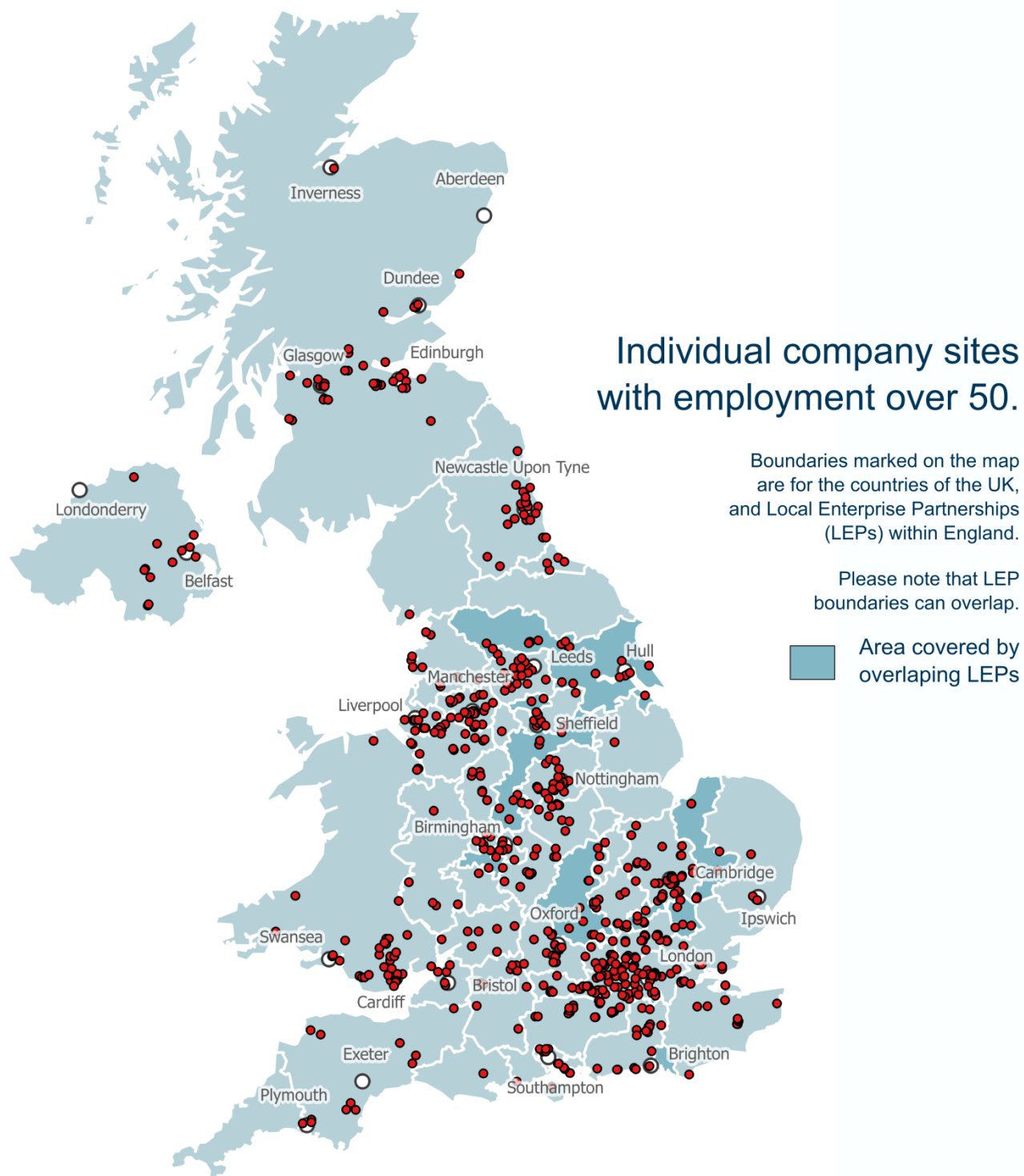
Key UK Life Science Employment Locations



* The outward code of the postcode, consisting of 2-4 characters (e.g. G2, SE26, RH1).



Key UK Life Science Company Sites



Contributors

The following individuals contributed to the production of this toolkit:

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John Lewis, Managing Director, SOG Ltd & Londoneast-uk Ltd

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