Scottish Enterprise

Life Sciences Accommodation Programme (LSAP)

Property developer, landlord and university eligibility criteria

July 2026

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Front cover images (from left to right):

- Rouken Bio staff member in lab
- Scientists at work at LifeArc in Edinburgh

Life Science Accommodation Programme

1. Eligible applicants

The following applicants are eligible for LSAP funding:

- **For speculative schemes and landlord fit-out (Cat A)**, the lead applicant must be a **private sector developer, landlord or university** registered in the UK or Scotland. Universities are eligible only where the accommodation is for commercial company use, not their own academic purposes.

- Developers must demonstrate that they have the **capability and track record to deliver and operate the space successfully.**

Applicants must also:

- **Own**, or own before funding acceptance, **the site or building** (freehold or long leasehold with good and marketable title)

And acknowledge that:

- Scottish Enterprise support is designed to support business growth and maximise the impact of public investment, allowing for recycling of public funds where possible. As such, any LSAP **support may be structured to include an agreed level of capital repayment** (linked to outcomes or performance-based milestones) and/or instruments that generate financial returns to Scottish Enterprise. Any such arrangements will be discussed through our appraisal process and agreed in advance of any LSAP funding award.

- **Funding support will be considered on a case-by-case basis** to address a clearly evidenced development viability gap. Decisions are made by the assessment panel and are final; there is **no right of appeal**.

2. Eligible project types

The programme supports the development of new life sciences accommodation through targeted funding for **property developers, landlords or universities** for:

- **Speculative life sciences lab space** (human health, industrial biotechnology and animal health)
- **Speculative refurbishment or repurposing** of existing buildings **for life sciences use**
- **Landlord fit-out (Cat-A)**

Developers, landlords and university projects that can demonstrate a clear viability gap must also:

- Where the project is related to **brownfield land redevelopment**:
  - Be a regeneration project involving:
    - redevelopment of brownfield land and/or
    - underused buildings to improve productivity and support economic growth
  - It also must deliver one or more of the following:
    - increase sites ready for development
    - increase sites with new/improved infrastructure
    - increase supply of new or repurposed buildings

- Where the project is related to **greenfield land development**:
  - Deliver the construction or upgrade of local infrastructures that contribute at a local level to improving the business and consumer environment and modernising and developing the industrial base.
  - The infrastructure shall be made available to interested users on an open, transparent and non-discriminatory basis.
  - The price charged for the use or the sale of the infrastructure shall correspond to market price.
  - Any concession or other entrustment to a third party to operate the infrastructure shall be assigned on an open, transparent and non-discriminatory basis, having due regard to the applicable procurement rules

Other explicit exclusions:

- Projects that are fully pre-let or do not involve speculative development
- Academic institutions using facilities for their own purposes
- Costs that do not directly relate to the creation of lettable life sciences space
- Projects by other public sector organisations such as councils
- Equipment, working capital or operational costs
- Projects that have already commenced

3. Eligible sector and use

- Accommodation must be suitable for life sciences occupiers, including human health, industrial biotechnology and animal health.
- Space must be capable of supporting laboratory, hybrid lab/office, or life-science-appropriate manufacturing or good manufacturing practice (GMP)-style use.
- Developer-led infrastructure must be made available on an open, transparent and non-discriminatory basis, with pricing aligned to market value.

4. Location criteria

- Companies must be registered in the UK
- The project must be located within the Scottish Enterprise geographical area.
- The site must be approved for life sciences activity (Class 4 and 5 of the Town and County Planning (Use classes) (Scotland) order 1997).

5. Demand and market failure test

To be eligible, the project must demonstrate:

- Clear evidence of demand for life sciences accommodation at the proposed location
- That it delivers against Scottish Enterprise's strategic objectives

The project must also demonstrate market failure, typically due to:

- Development costs exceeding end value, creating a viability gap
- Rental levels being insufficient to support speculative delivery
- High fit-out costs and short lease terms deterring private sector delivery

6. Project readiness and deliverability

All the following must apply:

- The project has not started and is not legally committed
- The project is speculative, with no pre-lets or pre-sale agreements in place
- The project is capable of being delivered within two years of the funding offer
- The applicant can demonstrate delivery capability directly or through an experienced professional team

7. Financial eligibility and subsidy need

Projects must demonstrate:

- There is an element of capital expenditure
- Project is financially viable with Scottish Enterprise support.
- Economic benefit to the Scottish Enterprise geographical area
- Mainly private sector funding
- A genuine viability gap preventing delivery without public support
- Funding support is necessary to enable the project to proceed
- Credible non-Scottish Enterprise funding sources
- Good value to the public purse

8. Sustainability and net zero requirements

Minimum standards apply:

- New build: BREEAM Excellent and EPC A, or equivalent
- Refurbishment: minimum EPC B, or equivalent
- A credible plan must be in place to reduce operational emissions and support net zero by 2045

9. Fair Work First compliance

As a condition of funding, applicants must:

- Pay the Real Living Wage (from May 2026 = £13.45 per hour)
- Avoid inappropriate use of zero-hours contracts
- Support effective worker voice
- Commit to inclusive employment practices
- Oppose fire-and-rehire practices

Failure to meet Fair Work First requirements may render a project ineligible for award.

10. Eligible costs

Eligible costs must be strictly necessary for the project.

Subsidies that are ‘strictly necessary’ means those that are essential for the project’s success and meeting the stated policy objectives through the intervention. For example, a potential beneficiary might want to engage external consultants that are not essential for project completion, but instead as an additional layer of assurance. Those additional consultancy fees would not be considered strictly necessary.

Project costs must be limited to the duration of the project

Specific eligible costs by subsidy type can be seen below:

Aid for infrastructure subsidy eligible costs (used for greenfield new build and landlord (Cat-A) fit-out):

Eligible costs are limited to the following capital expenditure categories incurred by an enterprise in delivering a new build project:

- acquisition cost (or current market value)
- Site preparation
- Construction cost (rate per square metre and rate per quare foot basis), including contingency (%)
- Demolition cost (if applicable)
- Professional fees
- Planning costs
- Section 75 costs
- Marketing costs
- Letting and legal fees
- Sales agent and legal fees
- Finance rate (%) (assumed 100% debt unless otherwise notified)
- Proposed profit (% of total development cost)

Streamlined subsidy eligible costs (used for brownfield land build, refurbishment and Landlord (Cat-A) fit-out):

Eligible costs are limited to the following capital expenditure categories incurred by an enterprise in delivering a regeneration project:

- The acquisition of brownfield land and/ or underused buildings. A standalone acquisition is only eligible for support when a linked regeneration project, that is designed to meet the requirements of this streamlined route, commences within 3 years.
- Preparing brownfield land and/ or underused buildings for development which will include activities such as the completion of demolition activity, site clearance, land remediation, groundworks, and levelling.
- The construction of infrastructure such as roads, drainage, digital services, utilities, and active travel routes.

- The delivery of new, refurbished, and repurposed buildings.
- Professional fees and capitalised management costs linked explicitly to the delivery of the regeneration project.
- Finance costs linked explicitly to the delivery of the regeneration project.

11. Subsidy control and legal compliance

Projects must comply with the following:

- Brownfield landlord development and fit-out (Cat-A)
  - Subsidy Control Act 2022: Streamlined Routes - GOV.UK (Community and Regeneration) for Landlord development and fit-out
- Greenfield landlord development and fit-out (Cat-A)
  - The Scottish Enterprise regional and SME investment subsidy scheme
- Scottish Government Military trading requirements
- UK Government sanctions checks requirements
- Scottish Enterprise Human rights due diligence checks

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Atrium Court 50, Waterloo Street, Glasgow, G2 6HQ

www.scottish-enterprise.com

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