Scottish Enterprise

Life Sciences Accommodation Programme (LSAP) Webinar:

Questions and Answers

August 2026

Images

- Symbiosis Pharmaceutical Services staff member in lab
- Rouken Bio staff member in lab

LSAP Questions and Answers

Below is a list of questions from the recent LSAP webinar. The answers to these questions can be found on the associated page numbers:

Q1. What exactly do you mean by supporting ‘speculative development?

- We will support speculative development where no formal commitment exists from end users for the space, however, if a pre let exists for some of the accommodation and a development viability gap still exists for the development as a whole, funding support may still be available.

Q2. What level of fit-out do you mean by Cat A?

- Cat A fit out (Category A) for LSAP is the baseline finishing of a space, after the shell and core stage. It includes the essential infrastructure and services necessary for occupancy, such as electrical distribution, lighting, HVAC systems, plumbing connections, raised floors, suspended ceilings, and basic wall finishes. Any life sciences company would then be able to come in with their lab benches and equipment and fit out to their required specifications.

Q3. Is Cat A fit-out the same as Lab enabled fit-out?

- No, Cat A fit-out is a stage of further development than a “Lab enabled” development. Lab-enabled provides the *potential* for laboratory use, whereas a Cat A fit-out provides a *partially completed laboratory environment* ready for tenant-specific installation.

Q4. The eligibility criteria mention that companies must be "UK or Scottish registered companies" only. If a company is registered in another country but pays UK taxes, would they qualify for a lab and office conversion support from LSAP?

- No. The company must be registered with Companies House as a UK company, so unless your company has done this (or created a UK subsidiary), unfortunately it would not be eligible.
- If inward investor companies are looking to set up in Scotland but have not yet done so, we would make it a condition that any grant is subject to a UK legal entity being established.

Q5. What form is the funding expected to take?

- SE will seek to share in the success of schemes that we support and the funding mechanism for LSAP will reflect this.
- Funding models will be looked at on a case-by-case basis to make sure SE can address viability gaps whilst still representing value for money for SE. It is anticipated that repayment mechanisms may be linked to agreed trigger events (lettings, sales etc).
- Any grant aid provided will be the minimum necessary to make the scheme commercially viable.

Q6. What level of funding support is available, and how will the viability gap be assessed?

- For developers, landlords and universities, we would expect projects to receive support from SE in the region of between £500k and £4M.
- However, if projects are of significant economic value, support could be higher than £4M.

- For life sciences companies, we would expect projects to receive support from SE in the region of between £250k - £1M.
- As an economic development agency, spending public monies, we seek to achieve maximum economic value from project outcomes (in terms of jobs created, space delivered and leverage achieved). These will be key factors in determining which projects are supported.

Q7. What costs are eligible for development projects?

- Reasonably incurred construction costs, site acquisition costs where land has not yet been acquired, site preparation costs, marketing costs, costs of finance, and professional fees are eligible.

Q8. What costs are eligible for fit-out projects?

- Items such as clean rooms, specialist ventilation, laboratory benches, gas systems, process utilities, and validation-related infrastructure are eligible. Individual, movable equipment is not eligible.

Q9. What is the nature of the restriction on marketing to life science occupiers?

- Applicants must accept a two-year restriction on the speculative new or refurbished development for life science use.
- SE/SDI will work with the applicant to support the marketing of the facility during and after the build, in order to facilitate occupation by a life science company.
- If the development is sold or leased to a non-life science occupier within 2 years of completion, the grant will be repaid in full.

Q10. If a company is already in receipt of funding support from a different public body, does it mean that the company is not eligible for LSAP?

- To be eligible, SE would need to check what the support is for and the relevant subsidy scheme rules. SE must ensure compliance with the relevant cumulation provisions in the applicable subsidy schemes.

Q11. How will SE decide which applications should be taken forward?

- SE will prioritise those applications which provide the best fit with our priorities, show a clear need for support, provide value for money, and demonstrate strong economic development outcomes.
- Detailed property diligence on applications will be carried out by CBRE. They will be verifying all information provided in applicants development appraisals, such as construction costs, contingencies, rentals, yields, professional fees, demand projections etc.
- Detailed financial diligence on applications will be carried out by SE. This will include consideration of the financial strength of the applicant and their ability to fulfil their financial obligations.

Q12. Can Local Authorities/Councils apply/be considered as Landlord for application purpose?

- LSAP is aimed at Private sector developers and universities (for development of speculative 'commercial' space) as it aims to catalyse private capital investment in life science facilities and as such, LA's/Councils are not eligible unless they are part of a JV with an entity that meets the eligibility criteria.
- Development companies which are wholly/majority owned by the public sector are not eligible.
- Support could be provided to a company occupying space owned by a LA/Council.

Q13. How can public authorities partner with private sector developers?

They can

- sell land or building to a developer for market value (no issues other than the timing of concluding the sale) provided that the applicant purchasing the land can demonstrate that it has been purchased at market value to establish any additional subsidy to the project.

- form a Joint Venture (JV)

Q14. Can universities apply to develop space for their own use?

- LSAP is available to support university projects which are commercially focused - it is not designed to support academic projects.

Q15. If a developer has applied to the LSAP scheme for funding for a specific speculative building/project (and received funding) and subsequently find an occupier, can the tenant apply for funding to undertake additional fit-out in the same building?

- Yes, both the developer and company can apply for support as long as the developer applies first.

- It will be conditional on the company having all the relevant information required to complete the fit-out project (including costs etc) and meet our eligibility criteria.

Q16. Which areas in Scotland do you see demand for space currently coming from?

- LSAP is a SE initiative and will be focused on the SE geographical area.
- SE is aware that life sciences companies are spread across Scotland and are keen to support projects where demand can be proven.
- SE is aware that that pressures for new build speculative accommodation are particularly acute in Glasgow and Edinburgh city regions.

Q17. Where a site is already owned by the developer - can the land value cost be written down into the development costs?

- SE will only provide a grant for eligible costs after the date of the grant offer, so the grant request cannot cover cost incurred prior to this date.

Q18. Can a contingency allowance be factored into the eligible development costs to allow for market fluctuations?

- Developers can factor a contingency into their pre-tender estimates to cover increasing material costs, but the SE grant conditions are such that applicants will only be able to claim for actual costs incurred.

Q19. Can the programme support companies wishing to build their own life science accommodation?

- No. The LSAP is designed to close the viability gap for the creation of speculative new life science facilities by property developers so that there is a stronger supply of suitable buildings. Due to the subsidy schemes this is being delivered under, the facilities need to be built speculatively, or it would be seen as support to a specific company. As a result, it cannot fund owner occupiers wishing to expand their own premises.

- *‘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.’*

Q20. Do developers need to own the land prior to submitting an application?

- Developers need to own the land/have a long ground lease or be able to demonstrate that they will shortly own the land/have a long ground lease before being eligible for funding.
- At the very least, Heads of Terms are required at application stage.

Q21. What happens if construction costs increase or market conditions change after funding approval?

- The amount of support would be capped at the time of approval.
- Should there be changes or issues with the project, you should contact SE as soon as possible.

Q22. How quickly can funding be approved and when can we start work?

- Exact timing is difficult to confirm however if a project moves through the various stages of the application process, we could anticipate that companies from application submission to project start, could be as quick as three to four months’ time.
- As stage 1 applications are due in on 1st October, we would ideally like to see projects start in January 2027.

Q23. Can LSAP support fit-outs for companies that are not yet occupying the premises but have identified a preferred building?

- Companies can apply if they are not yet in the building as long as their future potential preferred building owner/landlord would be happy for them to carry out any fit-out works.
- Applicants must submit a written application to SE for assistance before work on the project or activity has started, and the application must be approved in writing by SE before work can commence on the project, unless otherwise agreed by SE.
- Support for developers is for speculative accommodation builds to Cat-A standard and tenants for the entire facility should not have been identified before funding is awarded. Once funding has been awarded, developers can seek future tenants, and the tenants can then apply for LSAP funding for their bespoke fit-out needs.

Q24. Why is your application process so cumbersome?

- As we are a public body, we have an obligation to ensure that we spend our funds in a transparent and cost-effective way and comply with regulations. In light of this, we must ensure that we have access to a wide range of information and this involves us asking a lot of questions.
- Applicants are encouraged not to be put off by the application process, even if it does seem to be a bit long winded.

Q25. What is included within your definition of Life Sciences?

- Human health, industrial biotechnology, and animal health.
- Dry lab and wet lab are eligible for funding support.

Q26. Can LSAP be used for significant infrastructure investment/decontamination purposes?

- LSAP is aiming to support the creation of life science accommodation that can be undertaken within the next two years.
- It is not intended as a solution to stuck sites that need significant investment in decontamination and infrastructure.

Q27. If demand exceeds the supply of available funding, will SE roll out a further phase of LSAP?

- Any decision to extend the scheme would be based on an evaluation of the current scheme and would be subject to SE's usual budget and approval process.

Q28. Do you anticipate getting more interest from the development side or the company fit-out side?

- The scheme is already generating interest from a range of developers and companies.
- We will not know for certain where the demand will come from until applications come in on 1st Oct.

Q29. Can you confirm A3 (Aquaculture, Animal Health, and Agritech) is covered by this initiative

- Animal Health is covered by LSAP.

Q30. Within the live enquiries, do we have a further breakdown into whether these are coming from mainly Therapeutics, Services, Platforms, or Diagnostics companies?

- Unfortunately, due to the varied nature of responses from those involved in the feedback, we are unable to drill down to this level of detail for all responses.

Q31. How do you quantify small, medium, and large enterprises?

- The categorisation of small, medium and large enterprises applies to life sciences companies looking to fit-out space and is required in order to be able to calculate the amount of funding support available.
- A small enterprise is defined as an enterprise which employs fewer than 50 persons and whose annual turnover and/or annual balance sheet total does not exceed EUR 10 million.
- A medium-sized enterprise is an enterprise which employs fewer than 250 persons and which have an annual turnover not exceeding EUR 50 million, and/or an annual balance sheet total not exceeding EUR 43 million.
- A large-sized enterprise is an enterprise which employs over 250 persons and which have an annual turnover above EUR 50 million, and/or an annual balance sheet total above EUR 43 million.
- The numbers for each size category can be seen below:

Criteria	Number of employees	Turnover	Balance Sheet Total (Assets)
Small Enterprises	Less than 50 employees	Not exceeding EUR 10 million	Less than EUR 10 million
Medium Enterprises	Less than 250 employees	Not exceeding EUR 50 million	less than 43 million EUR
Large Enterprises	Over 250 employees	Over 50 million EUR	More than 43 million EUR

- Where a business is part of a corporate group or has close connections with other enterprises, the wider group's figures may need to be considered when assessing company size.
- For SME definitions refer to the guidance under Appendix 2 Scottish Enterprise Capital Investment Scheme 2025 - 2035

Q32. Can companies still apply following the Oct 1, Phase one date?

- Yes, there are subsequent application deadline dates which can be found on the SE website LSAP pages: Life Sciences Accommodation Programme | Scottish Enterprise

Q33. What is the future plan for Edinburgh BioQuarter?

- SE is currently developing a new masterplan for their land at BioQuarter to support the development of the mixed-use Health Innovative District with a planning application due to be submitted later this year. Following approval, land will be marketed for development by the private sector.
- As part of this, SE is also considering how a new life sciences building at BioQuarter could be brought forward through private sector investment. The approach to delivery remains under development, reflecting the current viability challenges associated with speculative development. Should a procurement exercise be identified as the preferred route, it is anticipated that this would be progressed in 2027.

Q34. What evidence is there for demand out with major Scottish cities?

- The typical enquiry responses specify requirements centred within the main city locations, within which there are already established science parks and other Life Sciences property available.
- At this point, there is no evidence based on the enquiries received for specific live requirements outside the city locations.

- It does not mean that there is no demand for other locations. It means that the data sample, received by CBRE, does not include enquiries for locations other than where the existing properties are located.

Q35. What percentage funding can Landlords expect to get if successful?

- Funding support will be viewed on a case-by-case basis
- The funding provided will be in focused on addressing a projects viability gap and will be the minimum possible required to make the project stack up.

Q36. What determines a project as having 'begun'?

- A project is considered to have begun upon award of the contract. However, we would expect projects to be substantially complete within the 2-year timeframe from this award.

Q37. You said you have analysed demand. Can this demand be directed to space built if application is successful or do we have to create " a new demand in our areas"

- We want to target areas of existing demand. Awards will be made to applicants who can demonstrate where demand exists.

Q38. I have a very specific query on matched funding (I'm a university landlord) - 50% of project SE application, 25% charity, 25% non - dept public body ....will the fact that matched funding is not from industry be an issue

- Support from SE will be provided on a case-by-case basis to address a clearly evidenced development viability gap, and the level and structure of support that may be available from SE will reflect the specific characteristics and risks of each project.
- Any potential support will also be subject to an assessment of compliance with the applicable subsidy control requirements, including the relevant cumulation provisions of the subsidy scheme under which support is provided.

Q39. Can this funding be used in combination with local authority funding which is also available to support infrastructure and capex projects?

- As per response to Q38 above.

Q40. Can you provide further details on the level of detail required for the initial application?

- The initial application and guidance are on the SE website: Life Sciences Accommodation Programme | Scottish Enterprise

Q41. What does the application form/process look like?

- The application form and process are both on the SE website: Life Sciences Accommodation Programme | Scottish Enterprise

Q42. Is the funding duration up to 3 years only?

- The LSAP project will run until March 2030.

Q43. What is the total budget available?

- Between £250,000 to £4 million funding is expected to be available per project. The amount of support you'll get will be made on a case-by-case basis, and depends on the strength of your project. Funding support greater than £4 million may be available in some cases.
- Scottish Enterprise will not cover any more than the viability gap for the project. We will support projects with the minimum possible support to enable the project to succeed.

Q44. Is there a minimum or maximum size of building that can be supported?

- There is no minimum or maximum size of building that can be supported.

Q45. If a company is registered in England but looking to open a laboratory in Scotland, will they qualify?

- Yes

Q46. Is there a minimum value an application for support must have?

- Company projects can apply for a minimum of £15k however the overall project cost must be a minimum of £1m in value
- Property developers/landlords/universities do not have a minimum value application, but we would anticipate that the application value would be a minimum of £250k

Q47. What is the definition of a life science company?

- Any company involved in the primary markets of Human health, industrial biotechnology, and animal health (as per Q26).

Q48. Many previously completed facilities are not fully occupied. Is there any intent to try to direct companies to these first before providing additional funding?

- LSAP is aimed at addressing supply in areas of high demand. It is for the companies themselves to decide where they wish to be located.

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