Scottish Enterprise

Life Sciences Accommodation Programme

Tenant company eligibility criteria

July 2026

Contents

Life Sciences Accommodation Programme (LSAP): Tenant company eligibility criteria

Front cover images (from left to right):

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

Life Sciences Accommodation Programme

1. Eligible applicants

The following applicants are eligible for LSAP funding:

- For **tenant specific fit-outs,** the applicant must be a **life sciences, industrial biotechnology or animal health company.**

Applicants must also:

- **Have approval** from the building owner **to make changes to premises** they occupy as a tenant

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 **tenant life sciences company** projects seeking to **refurbish or repurpose accommodation for bespoke life sciences use**

Must comply with additional requirements as follows:

- Industries must come from the life sciences sectors of human health, industrial biotechnology and animal health
- Focus on grow-on and manufacturing accommodation with a clear route to delivery in the short to medium term
- Supported projects must meet high sustainability standards: BREEAM Excellent and/or EPC A for new builds, and EPC B or above for refurbishments
- Have a credible plan to reduce operational emissions and support net zero by 2045 is also required

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.

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. Project readiness and deliverability

All the following must apply:

- The project has not started and is not legally committed
- The project is capable of being delivered within two years of the funding offer
- The applicant can demonstrate that the accommodation is solely for their own use
- The applicant can demonstrate delivery capability directly or through an experienced professional team

6. 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

7. Sustainability and net zero requirements

Minimum standards apply:

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

8. 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.

9. 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:

Capital infrastructure scheme eligible costs

Eligible costs are investment costs in tangible and intangible assets. To be eligible, an investment shall be either:

- An investment in tangible and intangible assets related to the setting-up of a new establishment, extension of the capacity of an existing establishment, a change in the output of an establishment, or a change in the overall production process of an existing establishment; or
- The acquisition of assets belonging to an establishment, where the following conditions are fulfilled:
  - The establishment has closed or would have closed if it had not been purchased
  - The assets are purchased from third parties unrelated to the buyer (except where a member of the family of the original owner, or an employee, takes over a small enterprise) and excludes sole acquisition of the shares of an enterprise
  - The transaction takes place under market conditions.
  - Maximum subsidy intensities and amounts are set out in the table below

Company size	Large	Medium	Small
Maximum subsidy intensity	20%	30%	40%
Maximum subsidy amount	£15 million	£15 million	£15 million

Any supported investment shall be maintained at the project location:

- In the case of large enterprises, for at least 5 years after completion of the investment; or
- In the case of SMEs, for at least 3 years after completion of the investment.

This shall not prevent the replacement of plant or equipment that has become outdated or broken within this period, provided that the economic activity is retained for the relevant minimum period.

The assets acquired may be new or used.

Costs related to the lease of tangible assets may be taken into account under the following conditions:

1. For land and buildings, the lease must continue for at least five years after the expected date of completion of the investment project for large enterprises or three years in the case of SMEs.
2. For plant or machinery, the lease must take the form of financial leasing and must contain an obligation for the beneficiary of the subsidy to purchase the asset upon expiry of the term of the lease.

In the case of acquisition of the assets of an establishment only the costs of buying the assets from third parties unrelated to the buyer shall be taken into consideration. The transaction shall take place under market conditions. If subsidy has already been granted for the acquisition of assets prior to their purchase, the costs of those assets shall be deducted from the eligible costs related to the acquisition of an establishment. Where a member of the family of the original owner, or an employee, takes over a small enterprise, the condition that the assets be bought from third parties unrelated to the buyer shall be waived. The acquisition of shares does not constitute investment.

For subsidy granted to large enterprises for a change in the production process, the eligible costs must exceed the depreciation of the assets linked to the activity to be modernised in the course of the preceding three fiscal years.

Intangible assets are eligible for the calculation of investment costs if they fulfil the following conditions:

1. They must be used exclusively in the establishment receiving the subsidy;
2. They must be amortisable.
3. They must be purchased under market conditions from third parties unrelated to the buyer; and
4. They must be included in the assets of the enterprise receiving the subsidy and must remain associated with the project for which the subsidy is granted for at least five years or three years in the case of SMEs.

For large enterprises, costs of intangible assets are eligible only up to a limit of 50% of the total eligible investment costs for the investment.

The subsidy beneficiary must provide a financial contribution of at least 25% of the eligible costs, either through its own resources or by external financing, in a form, which is free of any public support.

10. Subsidy control and legal compliance

Projects must comply with the following:

- Scottish Enterprise Capital grant schemes
- Scottish Government Military trading requirements
- UK Government sanctions checks requirements
- Scottish Enterprise Human rights due diligence checks

Scottish Enterprise

Scottish Enterprise

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

www.scottish-enterprise.com