



Life Sciences sector could generate an additional £4bn a year for the UK economy

- Unlocking property sector growth is critical to delivering UK's global life sciences ambitions -

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British Land and Savills have launched a new report, *Accelerating Innovation: A five-point plan to boost life sciences real estate*, which outlines a series of far-reaching recommendations designed to accelerate the delivery of life sciences growth across the UK.

The report recognises the vital role of real estate in supporting the government's ambitions of becoming a global life sciences leader and offers a blueprint for unlocking growth in the sector.

There is a severe shortage of real estate space to accommodate both current and predicted demand, with vacancy rates for fitted laboratory space in the Golden Triangle of just 1% in Cambridge and London and 7% in Oxford.

The report highlights that if the life sciences markets within the Golden Triangle matched the growth seen in leading markets in the US, by 2035, it would generate 67,000 more jobs, £4bn in additional GVA per year and an extra £1.1bn per year in tax revenue to fund public services.

Accelerating the growth of R&D facilities outside the Golden Triangle to match its growth rate would result in 14,500 more well paid jobs across the country by 2035, £870m per year in additional GVA and an extra £235m per year in tax revenue.

This presents a considerable opportunity for the UK to position itself as an attractive and effective destination for global life sciences investment, provided it establishes the proper ecosystem for growth.

British Land and Savills have set out five recommendations that would help deliver growth quickly, urging the government to:

- **Set ambitious growth targets for the sector**, including growing GVA by at least 25% and doubling the value of inward foreign direct investment by 2035.
- Prioritise **infrastructure** to support the growth of clusters, including a commitment to build the East West Rail.
- **Enable planning delivery** by designating Development Corporations to support innovation-led regeneration in economic growth corridors.
- **Use the tax system to support life sciences real estate growth** by expanding R&D tax credits to include relief for capital expenditure on laboratory space, drawing on international examples to boost the sector.
- **Align local skills with opportunities** in life sciences to deliver inclusive growth.

Simon Carter, Chief Executive at British Land, said: *"There should be no limit to the ambitions of the UK life sciences sector. We have the academic strength, a skilled workforce and cutting-edge clusters.*



“In order for the UK to become a life sciences world leader, we need to quickly increase the supply of life sciences real estate with the right specifications in the right places. Today we’ve recommended five tangible actions to supercharge growth. The potential is huge and we are ready to play our part to grasp the opportunity.”

Tom Mellows, head of Savills Science, adds:

“We are continuing to see positive levels of demand across the golden triangle, particularly in Oxford and Cambridge where take-up remains at record highs. However, the UK will not be able to sustain this level of growth if we don’t provide the right real estate.

“London is a great example of where the lack of purpose built lab space has impacted on occupiers ability to expand. However, 2023 / 24 will see the first delivery of a significant quantum of this type of space in the capital, which will no doubt lead to an uptick in activity moving forward. We have already seen demand for science related real estate increase considerably over the past five years and the potential to deliver growth quickly will accelerate this further still.”

British Land is behind a number of significant life sciences projects across the UK, having delivered lab enabled space at Regent’s Place and Canada Water, with 1.9 million sq ft of lab and innovation space expected to be delivered within its existing portfolio, including 200,000 sq ft by the end of the financial year.

The Savills Science platform leverages the firm’s global scale and reach combined with presence in key UK Science and Technology markets to provide unrivalled advice across the sector. From early stage planning and scheme feasibility, development advice all the way through to occupational agency and property management, the team works across service lines and geographies to assess projects from all angles.

- ENDS -

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About British Land

Our portfolio of high quality UK commercial property is focused on London Campuses and Retail & London Urban Logistics assets throughout the UK. We own or manage a portfolio valued at £13.0bn (British Land share: £8.9bn) as at 31 March 2023 making us one of Europe’s largest listed real estate investment companies.

We create Places People Prefer, delivering the best, most sustainable places for our customers and communities. Our strategy is to leverage our best in class platform and proven expertise in development, repositioning and active management, investing behind two key themes: Campuses and Retail & London Urban Logistics.

Our three Campuses at Broadgate, Paddington Central and Regent’s Place are dynamic neighbourhoods, attracting growth customers and sectors, and offering some of the best



connected, highest quality and most sustainable space in London. We are delivering our fourth Campus at Canada Water, where we have planning consent to deliver 5m sq ft of residential, commercial, retail and community space over 53 acres. Our Campuses account for 63% of our portfolio.

Retail & London Urban Logistics accounts for 37% of the portfolio and is focused on retail parks which are aligned to the growth of convenience, online and last mile fulfilment. We are complementing this with urban logistics primarily in London, focused on development-led opportunities.

Sustainability is embedded throughout our business. Our approach is focused on three key pillars where British Land can create the most benefit: Greener Spaces, making our whole portfolio net zero carbon by 2030, Thriving Places, partnering to grow social value and wellbeing in the communities where we operate and Responsible Choices, advocating responsible business practices across British Land and throughout our supply chain, and maintaining robust governance structures. Further details can be found on the British Land website at www.britishland.com.