1. Introduction

1.1. The Local Plan Pre Submission Draft Core Strategy sets out an allocation for the development of 77 hectares of land to the west of the Loughborough University campus to provide for the extension of the Science and Enterprise Park.

1.2. The Science and Enterprise Park is a high profile strategic development which contributes strongly to our Vision of Charnwood in 2028. It is a locally distinctive and unique selling point for the Charnwood Local Plan Core Strategy.

1.3. This paper explains the rationale and justification for the Science and Enterprise Park strategic allocation.

2. Background

2.1. The Loughborough Science and Enterprise Park (SEP) is one of the largest science parks in the UK accommodating a diverse range of businesses active in the knowledge based and high technology manufacturing sectors. The Science and Enterprise Park makes a significant contribution to the sub-regional economy.

2.2. Loughborough University has established itself within the top flight of British universities. It has earned an international reputation in sports sciences and performance. The Science and Enterprise Park is well related to the main university campus and builds upon and fosters a close relationship between academic and businesses research and development.

2.3. The extension of the Science and Enterprise Park is a major priority for the Borough Council, the County Council and the Leicester and Leicestershire Enterprise Partnership (LLEP).

3. A Strategy for the Science and Enterprise Park

3.1. The principle of capturing the expertise of the university to support technology transfer and develop innovation, research and development to encourage growth in the local economy has been supported by strategic policy for 30 years or so.

3.2. The Science Park was originally promoted by the Loughborough Local Plan in 1994 and commenced with the British Gas Research Centre, which is now owned by the University and called Holywell Park.

3.3. Successive plans, including the Borough of Charnwood Local Plan of 2004, the Leicestershire and Leicester and Rutland Structure Plan adopted in 2005 and the Regional Plan (adopted in 2007) all included a Science and Enterprise Park in
Loughborough where uses would be closely related to the university and research. The Local Plan policy, in particular, established the desire for a campus style development where around half of the site should be retained and landscaped to create a parkland setting.

3.4. Due to its unique location and the special characteristics, the Science and Enterprise Park does not deliver general employment development. The authors of the Leicester and Leicestershire HMA Employment Land Study (2013) (PACEC/Warwick Business) have commented that:

“The extension of the Science Park is consistent with regional priorities for employment land allocations which aim to ensure provision of the needs of high technology and knowledge based industries. The concept is consistent too with the strategic priority of the LLEP to, “exploit the full commercial potential of the knowledge, expertise and capabilities of the three universities and local business.” The economic shock occasioned by the closure of the Astra Zeneca site with the loss of high skilled research and development jobs provides further impetus for the proposal.”

“The specialist nature of the emerging Science Park allocation means that it will serve a broader regional and national context which cannot be accommodated within the normal predictive models for employment land forecasting.”

“Having regard to these factors the purposes of the emerging allocation are to:

- Create a location of international significance to serve the global market for research and development.
- Enable the University of Loughborough to build on its international reputation and consolidate its position as the leading employer in the district by developing, within its estate, centres of excellence in research, teaching and commercialisation of its knowledge.
- Enable businesses which cannot meet the University’s Gateway Policy criteria to locate in close proximity to the established Science Park, recognising that demand from globally foot-loose inward investors is unpredictable but can be significant in scale and requires a favourable and inviting planning regime.
- Provide for scale and certainty to attract public/private investment in advance infrastructure and the creation of development ready plateaus to ensure the Science Park offers a deliverable option to mobile international research and development activities.”

3.5. Extending the Science and Enterprise Park is one of the priorities in the Charnwood Borough Council Corporate Plan and Charnwood Regeneration Strategy and is central to the Council’s Core Strategy Vision. Exploiting the full commercial potential of the University is a priority we share with our partners, including the University, Leicestershire County Council, Charnwood Together and the Leicester and Leicestershire Enterprise Partnership.
3.6. The LLEP recognise the key role played by the region’s universities for the knowledge based and high tech manufacturing sectors in their Economic Growth Plan 2012-2020. Charnwood is specifically recognised as a leading employer in the high-tech manufacturing sector accounting for some 11% of local employment in contrast with a figure of 6.9% for the LLEP area (compared to 5.8% for England).

4. The Science and Enterprise Park Location

4.1. The land to the west of Loughborough, south of the A512 Ashby Road, adjacent to the University campus / Holywell Park is considered to present the best option for the development of a high quality science park. The potential for the involvement of the University (a major land owner) as a key partner is a significant advantage in maintaining the link between academic and business research and development.

4.2. We have considered alternative options for the location of the Science and Enterprise Park. They included:

- Land west of Loughborough, north of the A512 (partially within Garendon Park),
- Land south of Loughborough (either side of the A6004 Terry Yardley Way),
- Wymeswold Airfield,
- Brownfield sites in Loughborough, and
- Land south of Sileby.

4.3. The preferred location adjacent to Loughborough University provides an opportunity to make provision for the potential expansion of Loughborough University and accommodate additional academic, research space, student accommodation and recreational uses. It also provides an opportunity to encourage significant sports clusters aligned with the University’s reputation in that sector and the scope for providing office accommodation for national sports bodies.

4.4. The proximity to major heritage and ecological features, including Garendon Historic Park and Garden and tracts of ancient woodland, provide a unique opportunity to secure a prestigious high quality, low density development within a parkland setting.

4.5. The character of the Science and Enterprise Park is key to its economic success and to how it can be assimilated into the landscape. The development of a general industrial park would not support the Science and Enterprise Park concept or support the landscape qualities of the site; its location within the Charnwood Forest Area of Particularly Attractive Countryside, and the presence of the boundary to the National Forest along Snell’s Nook Lane.

4.6. To secure that design concept the policy approach set out in the draft Core Strategy is to retain approximately 40% of the allocation as part of a landscaped ecologically sensitive setting for the development.

5. The ‘Peters and Monck Study’ - Delivery of a Science and Enterprise Park at Loughborough
5.1. The Core Strategy provides the positive policy framework for development proposals. However, delivery of the Science and Enterprise Park will require a concerted effort on the part of the Council and its partners, beyond the scope of the planning system. To help us prepare for a partnership approach to delivering the Science and Enterprise Park we commissioned a study with our partners in 2012 from Kathrin Peters and Charles Monck, independent experts in delivering this type of development. Their Study, published in 2012 reviewed the business case for the extension of the Science and Enterprise Park.

5.2. The report found that the existing Science and Enterprise Park is one of the larger Science Parks in the United Kingdom. The Park accommodates a significant range of businesses but has supported the development of expertise in the sport and energy sectors in particular. Its scale and importance is not widely appreciated due to its discrete location and the low key approach to date to marketing and promotion.

5.3. The study suggested that the growth of the Science and Enterprise Park could have been faster had there been an established adopted planning policy framework supported by a more flexible University “gateway” policy to permit entry from a wider range of businesses.

**Site Capacity**

The potential site extends westward from the main university campus and established Science Park beyond Snell’s Nook Lane. The potentially available land is severed by Snell’s Nook Lane, with the part of the site west of Snells Nook Lane being previously promoted by a developer for more general industrial and warehousing uses on parts of the site.

<table>
<thead>
<tr>
<th>Site</th>
<th>Gross area (ha)</th>
<th>Less 40% parkland</th>
<th>Net area (ha)</th>
<th>Capacity¹ (m²)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Extended phase II (Planning permission granted June 2012)</td>
<td>7.8</td>
<td>Not applicable</td>
<td></td>
<td>37,780</td>
</tr>
<tr>
<td>Holywell Farm site</td>
<td>5.9</td>
<td>2.36</td>
<td>3.54</td>
<td>10,620</td>
</tr>
<tr>
<td>Balance of land east of Snell’s Nook Lane</td>
<td>29.6</td>
<td>11.84</td>
<td>17.76</td>
<td>53,280</td>
</tr>
<tr>
<td>Land to the west of Snell’s Nook Lane</td>
<td>42.0</td>
<td>16.8</td>
<td>25.2</td>
<td>75,600</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>85.3</strong></td>
<td></td>
<td><strong>175,280</strong></td>
<td></td>
</tr>
</tbody>
</table>

¹ Capacity is based on the original science park vision which anticipated a plot ratio of 0.2 and buildings averaging 1.5 storeys. Phases of the SEP approved to date have had a significantly larger plot ratio and have extended to 5 storeys in the case of SportPark.
Economic Context

The Peters and Monck study found the economic development framework to be favourable:

- The Science and Enterprise Park is located in the centre of the country with excellent access to major communications routes by a variety of modes.
- Charnwood is already a key performer in the knowledge based employment sector.
- The Leicester and Leicestershire Enterprise Partnership has identified the expansion of the Science and Enterprise Park as one of its key projects.
- Exploitation of the distinctive research strengths of the University fits well with the emerging “smart specialisation” regional development support measures to be promoted for the next ERDF period 2014-2020.

The study noted that Loughborough University offers:

- Strength in terms of its research as well as teaching performance
- Recognition of “enterprise” as the third strand of its strategic focus (alongside teaching and research)
- A revised gateway policy which will seek to build productive relationships with appropriate businesses rather than require them as a precondition of occupancy.

The study considered that these attributes point to the expansion of the Science and Enterprise Park as an attractive proposition. It is well placed to attract business from the Derby, Nottingham, Leicester triangle and as a strategic site for footloose research and development projects from elsewhere in the UK and overseas.

“What makes SEP distinctive in a national context is the close integration between university use and science park use as a true campus-based science park development with significant expansion space.”

The study also noted that few other Universities have the space or the opportunity, by reason of their location, to offer such a facility. Despite the recession innovative technology based companies are continuing to grow and the government is committed to supporting applied university research and precompetitive development in collaboration with industry.

The study suggested that future demand for space in the Science and Enterprise Park is expected to come from four main sources over the next 15 years:

Summary of Demand

In principle, demand for space in the Science and Enterprise Park could range from 70,000 to 111,000 m² over 15 years which would require 36 to 56 hectares.
<table>
<thead>
<tr>
<th></th>
<th>Pessimistic scenario</th>
<th>Optimistic scenario</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Uptake per year (m²)</td>
<td>Uptake total (m²)</td>
</tr>
<tr>
<td>1 Innovation centre</td>
<td>200</td>
<td>3,000</td>
</tr>
<tr>
<td>space</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2 Grow on rented</td>
<td>1,500</td>
<td>22,500</td>
</tr>
<tr>
<td>space</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3 Inward investment</td>
<td>1,500</td>
<td>22,500</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total commercial</td>
<td>3,200</td>
<td>48,000</td>
</tr>
<tr>
<td>uses</td>
<td></td>
<td>24.00</td>
</tr>
<tr>
<td>4 University uses</td>
<td>1,500</td>
<td>22,500</td>
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<td></td>
<td></td>
<td>11.25</td>
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<td>3,200</td>
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<td></td>
<td>24.00</td>
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<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>4,700</td>
<td>70,500</td>
</tr>
<tr>
<td></td>
<td>36.25</td>
<td></td>
</tr>
<tr>
<td></td>
<td>7,400</td>
<td>111,000</td>
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<tr>
<td></td>
<td>56</td>
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</tr>
</tbody>
</table>

On the basis of an optimistic scenario by 2028 all of the land east of Snell’s Nook Lane (which has a capacity of 99,680 m² - see Table 1 above) would be developed. This would leave a requirement for a further 5 hectares (around 15%) of the land to the west of Snell’s Nook Lane, as Monck and Peters observe:

“Our calculations show that with a set of realistic assumptions, we can see how the space to the east of Snell’s Nook Lane can be filled over a medium term time horizon and how – provided enough momentum is built – this would require further development on the west of Snell’s Nook Lane. If this land is allocated to other users, it could seriously constrain the growth of the University and the SEP in the longer term. These assumptions include:

- A more integrated approach towards the overall strategy, marketing and management of the SEP.
- Availability of sites with outline planning permission and rented premises
- The development of a steady supply of rented space for start ups and growing companies
- Access to funding for the further development of the SEP.”

**Organisation and Management**

Peters and Monck noted that the development of the Science and Enterprise Park had been held back by the lack of a dedicated management resource in the form of a park manager.

**Marketing**

Peters and Monck also noted that marketing of the Science and Enterprise Park had been low key, reactive and without strong branding, partly a reflection of the lack of space and serviced sites available. Crucially, that has meant that to date the LLEP and
UKTI have not been able to assist. Once a “product” is available Moncks and Peters believe this would quickly change; in effect if the “product” is not available and positioned - it will not be captured.

The Peters and Monck report is principally directed towards two audiences: the Borough Council in its role as the planning authority and the University in its capacity as the primary agent for delivery.

For the University the overall imperative is to set in place appropriate organisational structures, supported by effective management and marketing strategies to attract regional and national support as well as private sector investment to secure the delivery of the Science and Enterprise Park.

The primary objective for the Borough Council is to bring forward a robust planning policy framework to support and encourage the development of the Science and Enterprise Park.

**Implications for Core Strategy**

The Draft Core Strategy recognises that there is a reasonable case for allocating all of the land to the east of Snell’s Nook Lane for Science and Enterprise Park uses and that there is a potential need for up to 5 ha to the west of Snell’s Nook Lane in the event of the “optimistic scenario” emerging.

Notwithstanding capacity and potential demand the Core Strategy policy also acknowledges the findings of the Peters and Monck study concerning the longer term value of the site in its entirety. If land to the west of Snell’s Nook Lane were to be allocated to other users it could, “……….seriously constrain the growth of the University and the Science and Enterprise Park in the longer term.”

As a result the Core Strategy seeks an allocation of the whole site (east and west of Snell’s Nook Lane) for the purposes of supporting the Science and Enterprise Park. In doing so the Plan positively supports the long term economic needs of the Borough and the sub-regional economy.

6. **Delivery of the Science and Enterprise Park**

6.1. The Council is committed to working with its partners to secure the delivery of the Science and Enterprise Park. “Our Place,” the Council's Corporate Plan 2012 – 2016 includes the theme “Our place to grow and prosper” which establishes the Councils commitment to a prosperous and thriving Borough which embraces innovation and enterprise. The Plan pledges to support economic development and regeneration by working with the Leicester and Leicestershire Enterprise Partnership and other partners to support priority projects including the University Science and Enterprise Park.

6.2. That partnership approach is already in progress.
6.3. The Loughborough Science and Enterprise Park is one of four sites being pursued by the LLEP as part of the government’s ‘City Deal’.

6.4. The University has increased its marketing of the Science and Enterprise Park, including engagement in the international property market place through the MIPIM event in Cannes.

6.5. Applications for funding support have been made to the European Regional Growth Fund to help deliver a 3,000 m² Advanced Technology Innovation Centre and a 6,000 m² expansion space for a successful existing Science and Enterprise Park business.

6.6. In support of its commitment to the City Deal priorities the LLEP has also entered a bid under round 4 of the Regional Growth Fund for £10 million for investment in infrastructure to support the roll out of development.

6.7. Charnwood Borough Council and Leicestershire County Council are similarly committed to the delivery of the Science and Enterprise Park and have committed £2 million to a capital fund to support the development.

6.8. Together, these initiatives demonstrate a shared commitment on the part of the local economic partnership and local authorities to prioritise the delivery of the Science and Enterprise Park for the benefit of the sub regional and local economy.

7. Conclusion

7.1. Providing a positive planning framework for the extension of the Science and Enterprise Park is justified by the evidence, notably that of Kathrin Peters and Charles Monck and supported by strategic and corporate commitments of both the Council and its partners.