

Centre for Biomedical Research; Compulsory Purchase Order – Authorisation in Principle

Planning Committee

29 October 2003

1 Purpose of report

This report details the progress which has been made in taking forward the vision and concept of a major “world class” Biomedical Park at Little France now termed the Centre for Biomedical Research (CBR). There have been ongoing discussions in respect of the acquisition of the site, which to date have not been fruitful. This report seeks the authority, in principle, for the Council to use its compulsory purchase powers to acquire the site for this strategic development on behalf of the consortium of public agencies if this should prove necessary.

2 Summary

- 2.1 A major strategic proposal has been brought forward by a consortium of public agencies/organisations to develop a “world class” Biomedical Park on a site adjacent to the Royal Infirmary and University Medical School at Little France. The site is to accommodate teaching and primary research facilities for the University of Edinburgh, healthcare facilities for the NHS, and commercial development arising from core healthcare teaching and research activity.
- 2.2 A major joint study has indicated both the feasibility and advisability of promoting such a Bio-Research Park to stimulate this growth sector within the Scottish economy and build on the existing high quality research base with commercialisation and spin-out activities.
- 2.3 The study identified that the “critical success factor” in successful Medi-park development was proximity to co-located world class medical and research facilities with commercial incubation accommodation. This potential has been clearly identified by the Council in its forward planning activities with the allocation of a site adjoining the Royal Infirmary development within the draft South East Local Plan. Proposals have been further developed by an outline application which the Council has indicated it is minded to approve subject to a number of transport related matters being resolved satisfactorily.

- 2.4 The key consortium partners, the University of Edinburgh and Scottish Enterprise Edinburgh and Lothians are now engaged in discussions with the site owners in respect of acquisition. To date these negotiations have not been successful. There is also a recognition, detailed in the feasibility reports, that in respect of the Medi-park development, there is a “window of opportunity” now for its successful development and competitiveness with other existing and proposed parks worldwide.
- 2.5 Accordingly, the consortium has asked the Council to consider as the planning authority, using its compulsory purchase powers under Planning legislation to acquire this key site for this strategically important development should acquisition by agreement prove unsuccessful.

3 Main report

- 3.1 Following the designation in the South East Local Plan of a site for a Medi-park development adjacent to the new Royal Infirmary at Little France, and also support for the project in the Structure Plan (SP para 5.5 and policy ED 16) a major study was conducted by the key public sector partners into the feasibility of a “world class” Medi-park on the site.
- 3.2 Scottish Enterprise Edinburgh and Lothian in partnership with the University of Edinburgh, with the support of the City of Edinburgh Council, Lothian Health, Lothian University Hospital NHS Trust and the Scottish Executive have developed a major proposal for the creation of what is now termed, the Centre for Biomedical Research adjacent to the new Edinburgh Royal Infirmary at Little France. The project involves the provision of a high quality “world class” research campus comprising 51,000 square metres of University Campus and NHS development and an accompanying 82,450 square metres of private research accommodation on the 26.8 hectare site. A site plan is attached. The South East Local Plan is currently the subject of an on-going inquiry, however, it should be noted here that the Medi-park proposal is not the subject of any objections to the Plan under consideration. Also the Medi-park proposals have been taken forward with the submission of an outline planning application which the Council has indicated it is minded to approve subject to the satisfaction of legal agreements in respect of certain related transport matters under a Section 75 Agreement.
- 3.3 Consortium partners have sought to acquire the site of the proposed development for over a year. However due to considerable large scale speculative pressure within the south east wedge area as a whole. Also the potential linkage of land release for the proposal with unacceptable proposals for releases of sensitive greenbelt land for housing development, these negotiations have not been successful to date. Accordingly the public sector consortium partners have requested that the Council consider, in principle, using its compulsory purchase powers to secure the land for this key strategic development.

National and Strategic context

3.4 The project will be a flagship for Scotland's Biotechnology activities and will accelerate the rate of investment in biomedicine, which is a high-growth, knowledge intensive industry. The main economic aims of this project are fully aligned with the national priority and are outlined in Smart Successful Scotland and the proposal also strongly accounts with the Council's own Economic Development Strategy. This flagship project has the potential to make a significant contribution to the aims of:

- accelerating the rate of investment in Scottish biomedicine – a key knowledge – intensive industry of the 21st Century and a major priority for Scotland
- significantly boosting the rate of new firm formation amongst science and technology ventures in Scotland and Edinburgh.
- attracting world class life-science companies and individual scientists
- enhancing Edinburgh's international reputation for healthcare, medical training and research.

3.5 Also, the following direct benefits could be achieved within a 10 year period:

- increasing net employment at the Scottish level by 6,300 jobs excluding increased employment at the University and jobs for construction
- delivering a total GDP benefit of £510 million per annum by the year 2013
- support an increase of up to 30 spin-out companies
- support the creation of up to 120 start-up companies

3.6 It is necessary to develop a critical mass of biomedical companies at the Centre if it is to contribute to the international profile of the Scottish biomedical cluster and facilitate links between companies and research institutes and amongst companies themselves.

Delivery

3.7 Comparative analysis was carried out by the feasibility study of 24 similar facilities and the detailed business plan for the project has clearly demonstrated that the project will require the public sector to take the lead in concept and delivery. Indeed, to deliver the project to the scale that builds on the Scottish biomedical sector and to ensure the creation of an internationally competitive facility will require substantial public sector funding in the initial years of development and a proactive approach to land assembly, infrastructure implementation, marketing and to secure private sector engagement and funding.

3.9 The lead consortium of the University and SEE&L have already incurred significant development costs in clarifying and developing the proposal. Given the uniqueness of the site and its role as the critical success factor and the "window of opportunity" for the competitive development of a world class facility, it is now thought urgent that this site be secured to deliver the strategic, regional and indeed national objectives outlined above.

- 3.10 The key partners, the University of Edinburgh and SEE&L have now requested that in the event that further negotiations on site acquisition by agreement are not successful that the Council, as the planning authority, should consider using its compulsory purchase powers. This would ensure the delivery of the development.
- 3.11 The site consists of an L shaped site adjoining the new Edinburgh Royal Infirmary to the south and west and is in agricultural use. A site plan is attached to this report.
- 3.12 The Centre for Biomedical Research proposal also forms part of a wider development package within the South-East wedge area for which substantial environmental gains are envisaged as part of development, including, new footpaths and cycle paths retained in the Green Belt, woodland planting and biodiversity enhancement. The development also raises flood alleviation issues that can only be resolved by measures taken on adjoining open land, and which are the subject of a current study. Further land acquisition and detailed proposals may therefore be brought forward to address this issue.
- 3.13 A separate compulsory purchase order may also be sought adjacent to this site to deliver the proposed public transport access route from Craigmillar to the new Hospital. This proposal will be the subject of a separate report though the Council's Executive Committee.
- 3.14 If a Compulsory Purchase Order is authorised and pursued by the Council, it is intended that a legally binding back to back agency agreement will be agreed with the University of Edinburgh/SEE&L. This would enable the Council to act in an agency capacity on behalf of the Consortium partners.

4 Conclusions

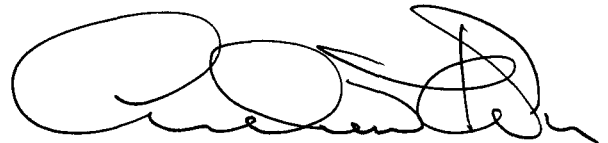
- 4.1 The proposed Centre for Biomedical Research is seen as a major strategic development of national importance to the wider Scottish economy.
- 4.2 A successful Centre needs to be site specific to the land adjacent to the Royal Infirmary and the Medical School. To ensure the dynamic of the concept it should be controlled and managed by the key consortium partners who control the flow and development of the key healthcare, education, research, innovation, incubation, spin-out and commercialisation processes.
- 4.3 Negotiations in respect of site acquisition by agreement by the consortium are on-going, but there is a requirement to consider compulsory acquisition if these prove unsuccessful to enable the delivery of the development. There is a tight timetable involved in maximising the potential of this proposal in a competitive worldwide environment.
- 4.4 The consortium have requested that the Council agree in principle to the possible use of CPO powers under the relevant Planning legislation to secure a site of national strategic significance. This would be subject to an agreement on the apportionment of the resultant costs of acquisition with the consortium under an agency agreement.

5 Financial Implications

- 5.1 The agreement to proceed with a CPO is seen as promoting a key Council objective. Any additional costs including legal costs resulting from the process would be met by the Agency agreement with the Consortium partners, including site acquisition costs.

6 Recommendations

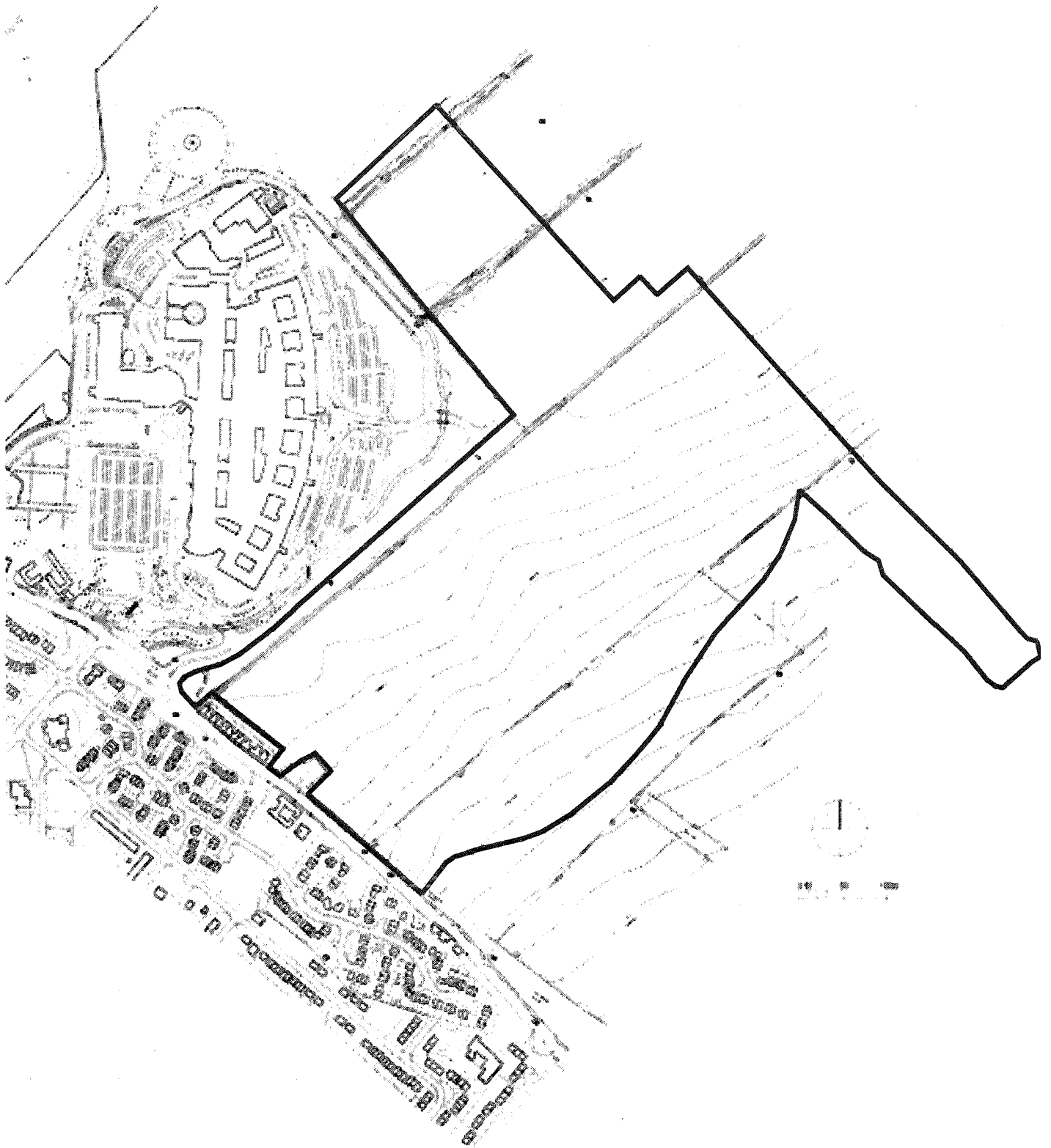
- 6.1 It is recommended that the Committee agree, in principle, to the promotion of Compulsory Purchase Order (CPO) under Planning powers to acquire the site of the proposed Centre for Biomedical Research, if acquisition by agreement is unsuccessful.
- 6.2 Activation and confirmation of the process would be subject to further report to the Committee should this prove necessary, with the relevant drafting detail and confirmation of an Agency agreement with the Consortium partners.



Andrew M Holmes
Director of City Development

21.10.08

Appendices	Proposed Centre for Biomedical Research – Site Plan/Indicative CPO Boundary
Contact/tel	Gerry Baker, Team Leader, Development Companies Team, 0131 529 3730
Wards affected	Ward 57 – Craigmillar
Background Papers	i) Edinburgh Biomedical Research Park – Pre-Feasibility/Feasibility/Business Plan Reports ii) Council Report on Outline Application for Edinburgh Biomedical Research Park



**Appendix One : Centre for Biomedical Research.
Site plan and Indicative CPO Boundary.**