WEST OF SCOTLAND SCIENCE PARK

INTERIM EVALUATION

January 2004

PRA ECONOMIC CONSULTANTS

An Interim Evaluation
Of
West of Scotland Science Park

Prepared on Behalf of

Scottish Enterprise
Glasgow

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WEST OF SCOTLAND SCIENCE PARK

EXECUTIVE SUMMARY

1 Introduction

Scottish Enterprise Glasgow (SEG) appointed PRA Economic Development Consultants to undertake a full impact evaluation of the West of Scotland Science Park. The purpose of the evaluation is to determine what impact the project has made on the economy and the tenant companies; whether its procurement and management are in accordance with good practice; and, whether the project demonstrates good value for money to the public purse.

2 Background

The West of Scotland Science Park (WoSSP) was originally developed by the then Scottish Development Agency. It comprises two campuses, Kelvin and Todd, which straddle two sides of a busy city road. Phase 1 of the development consisting of three buildings on Kelvin Campus was completed in 1983. A second phase of three further buildings also on Kelvin Campus was completed in 1987. No further development took place until the Park was included in Phase 1 of Scottish Enterprise Glasgow's (SEG) Strategic Sites Programme for 1996-2000.

It was believed that the Park would contribute to the Programme's objectives to: provide a competitive location for key clusters; support commercialisation of research through the provision of a property ladder; increase Glasgow's and Scotland's global competitiveness; and, provide high-quality business locations that can compete with the best in the world.

When the Scottish Parliament launched its strategic objectives for "A Smart Successful Scotland" in 2001 it was believed that WoSSP could play a vital role in achieving these objectives.

In seeking to involve the private-sector in the future development of the Park, SEG undertook further investment of the infrastructure of the Park. This included a roundabout which, importantly, served to create a single entity from the two separate campuses. At the same time a marketing campaign was launched to raise awareness of the Park's function and environment, and to highlight the business support services on the Park of Targeting Technology and Services to Software.

3 Objectives of the West of Scotland Science Park

Kelvin Campus is bound by Section 50 of the Town and Country Planning Regulations that restrict the uses that can be accommodated on the Park. As such research and development is required to take place and no manufacturing is permitted.

With the above restrictions in mind three key objectives for the Park were identified:

- to provide close linkages with Glasgow's universities;
- to provide purpose-built accommodation within a high-quality environment;
- to act as a focus for inward investment and indigenous company growth.

Based on these objectives three target client groups were identified:

- new and recent start-up companies from the local area (including spin-outs from the universities);
- existing companies undergoing significant change, where the re-location to WoSSP could assist the successful implementation of the changes;
- inward investment cases that fitted with the overall strategy for WoSSP.

4 Methodology

PRA carried out a series of interviews with the resident companies, the Science Park Manager and his assistant, the managing agent, and private-sector developers.

The information gathered through these interviews was combined with information received from six other science parks and the UK Science Parks Association.

Various aspects of WoSSP were considered, namely:

- financial performance
- economic benefits derived
- the resident businesses
- tenants' views on their occupancy of the Park
- management services
- the services of Scottish Enterprise network
- comparison with UKSPA science parks

In relation to these aspects detailed analyses of the performance of the West of Scotland Science Park were carried out and conclusions drawn.

5 Conclusions

a) Impact

Overall, WoSSP is making a significant contribution to the local and national economies. The current employment figure is 823, an increase of 14% since 2002. Based on standard indicators this figure lies well within the range of jobs expected to be accommodated on the Park. 42% of jobs are classed as highly-skilled and 31% are involved in R&D. Twenty-nine percent of salaries are above the Scotland and Great Britain average for professional occupations and circa 76% are equal to or above the Glasgow, Scotland and GB average for all occupations. The net FTE jobs have contributed around £26.1 - £30.7 million to the local and national economies.

95% of companies said their sales turnover had increased, with 45% of sales being exported outside the UK. 21% percent of companies claimed to have more than 20% of the market for their main product or service, and 90% expected their sales performance to increase over the next three years.

b) Good Practice

Companies on the Park all meet the eligibility criteria. The Park has achieved a public/private leverage of 1:1.8, and in terms of market activity the displacement effect is minimal in relation to both Glasgow and Scotland.

In terms of the Park's procurement, the on-site management, and the efficiency of the services provided to the businesses all aspects of the West of Scotland Science Park conform to good practice. Contacts with the universities are important to the businesses, with over 50% of the companies contacting them on technical issues, and 44% on business issues.

c) Value for Money

Value for money was considered in terms of occupancy levels, private and public financing, and future expansion.

The Park is 88% occupied and is achieving commercial rental levels. Resident companies show a propensity for growth and currently export 45% of their products and services outside the UK. 39% of the companies are in the lucrative, global pharmaceutical and bio-medical markets, demonstrating the high-tech, leading edge emphasis of the Park.

To date, a public-sector investment of c. £8.5 million has attracted around £15.2 of private sector investment. This equates to a gross initial cost-per-job of c. £10,000 - well within government guidelines.

The Park is constrained by non-availability of major development land which is likely to have repercussions in terms of the companies locating there. However, if the limited development opportunities available to the Park are pursued with the private sector there is the capacity to generate further European funding to support the remaining infrastructure requirements.

"Kelvin Campus"

PRA Economic Development Consultants
November 2003

WEST OF SCOTLAND SCIENCE PARK INTERIM EVALUATION

1 INTRODUCTION

PRA Economic Development Consultants were appointed by Scottish Enterprise Glasgow to undertake an interim evaluation of the West of Scotland Science Park.

It is a requirement of the evaluation that three main issues are considered:

- Impact
- Good practice
- Value for Money

In considering these issues, the evaluation was to address the following key questions:

- Has the project achieved the projected outcomes in relation to jobs created?
- How do salary levels on WoSSP compare with those for Glasgow and Scotland?
- What is the estimated public/private leverage ratio?
- What is the impact in terms of GDP of the companies located on WoSSP to the Glasgow/Scottish economy?
- What ratio of the turnover of the companies located on WoSSP is export[1] orientated?
- What is the displacement impact of WoSSP in comparison to private sector initiatives?
- What is the occupancy rate compared to other Scottish Science Parks?
- What is the quality of jobs on the Park?
- What is the level of local employment[2]
- Do the companies on the Park meet the criteria set? How well defined are the eligibility criteria compared with other Scottish Science Parks?
- How effective is the management regime at WoSSP?
- How restricted is the future impact of WoSSP by virtue of physical expansion constraints?
- How successful is the Park?
- How important is partnership with the Glasgow Universities, the private sector and the European Regional Development Fund?

[1] In this instance export is defined as goods/services sold outside the United Kingdom.
[2] Local in this instance is defined as within a 30-minute travel time.

In order to address those questions PRA proposed to:

- Inform Scottish Enterprise Glasgow of the economic, financial and physical impact of the West of Scotland Science Park on its resident companies, the local economy and the contribution to national GDP. To identify whether the physical aspects of the Park and the demographics of the area attract businesses to the location. To identify and quantify the contribution of the project to greater entrepreneurial dynamism and creativity, e-business, research and innovation, digital connectivity, involvement in global markets, and thus to a *Smart Successful Scotland*.

- Evaluate the performance of the management regime on WoSSP, the range and use of services provided, the accommodation provided [including common areas], make a comparison with best practice elsewhere and to provide SE Glasgow with a clear statement on the actual performance.

- Evaluate the financial investment in WoSSP, identify ratio of private to public investment, compare with other similar developments, where possible, and provide SE Glasgow with a clear statement on the value-for-money performance of the completed development.

A series of interviews have been carried out with 18 businesses, and one company agreed to complete the questionnaire themselves, giving a total of 19 responses. Two companies refused outright to take part in the process [one due to time pressures and the other because they did not see themselves as part of the Science Park]. Four companies did not respond despite letter, telephone calls and e-mails over a period of two months. One company, on prompting from SEG, did undertake to fill in the questionnaire and return, but in the event nothing more was heard from them. Interviews were also carried out with the Science Park Manager and his assistant, private-sector developers, a new business on the Park and managing agent.

In all a total of twenty-five interviews took place [23 face-to-face, one by telephone and one questionnaire was completed directly by the respondent].

The results of the interviews have been input to a database and detailed analyses carried out.

In addition information received from six other UK Science Parks has been utilised in the evaluation, together with aggregated information received from UKSPA and extracts from “Evaluation of the Past & Future Economic Contribution of the UK Science Park Movement”[3].

This report is the result of the analyses of all of the data, comparison with the experience of others, and conclusions drawn. The conclusions have been arranged to address the three main evaluation criteria and key questions.

Driveway Kelvin Campus

[3] Final Report, 16 October 2003, Prepared by ANGLE Technology for UKSPA.

2 BACKGROUND

[a] Strategic Sites Programme

The West of Scotland Science Park [WoSSP] is one of the sites identified by Scottish Enterprise Glasgow [SEG] for inclusion in its Phase 1 Strategic Sites Programme for 1996-2000. The Park pre-dates the Programme having been first developed by the then Scottish Development Agency in 1983.

The first phase of development consisted of three buildings on Kelvin Campus and three on Todd Campus. The second phase of development, completed in 1987, consisted of three further buildings on Kelvin Campus. Until its inclusion in the Phase 1 Strategic Sites Programme no further development had taken place on the WoSSP and it had become somewhat stagnant with low levels of occupancy and very few people, outside the SE Network, knowing of its existence.

The rationale for the inclusion of the Park in the Strategic Sites Programme was based on the programme objectives of:

- To provide a competitive location for key clusters to locate;
- To support the commercialisation of research through ensuring the provision of a property ladder to support companies through the various stages of growth;
- To increase Glasgow's and Scotland's global competitiveness and thus its ability to attract and retain high-growth businesses;
- To provide high-quality business locations that can compete with the best in the world.

It was believed that the inclusion of WoSSP would contribute to the achievement of those objectives.

[b] Rationale for Public-Sector Involvement

In 2001 the Scottish Parliament launched its strategic objectives for, "A Smart Successful Scotland". Two of the objectives [incorporated in those for the Strategic Sites Programme] are:

- Increased commercialisation of research and innovation; and
- Scotland to be a globally attractive location to attract and retain mobile investment.

SEG believed that WoSSP could play a vital role in achieving those objectives but that there were barriers that would prevent investment by the private-sector in the first instance. The barriers to private-sector investment in the market were identified as:

- Poor strength of covenant: companies locating on the WoSSP tended to be small businesses that were either new-starts or at an early stage in their development. Those companies that were larger tended to be involved in emerging markets that had still to be proved in terms of turnover and market share.

- Capital intensive fit-out: the cost of fit-out for the types of businesses being sought for the Park is high in comparison to "standard" business park residents. The fit-out for a research and development company can include items such as clean rooms, filters, scrubbers, drench showers, laboratory areas, and so on. The companies, in the main, seek to have this work carried out by the landlord and the cost rentalised over a period of time.

- Restricted uses: The Section 50 applied to WoSSP restricts the types of uses that can be accommodated on Kelvin Campus; for example no manufacturing companies, and the requirement to undertake research and development. This is essential if the Park is to remain a true "Science Park", but can mean that vacant properties cannot be offered to the general market.

- Limited revenue potential: Many of the companies locating on WoSSP are unable to pay a level of rent that is commensurate with the amenities offered by the Park. There is, therefore, an element of "un-commercial" rental levels in terms of private-sector investment returns.

- Risk aversion by funding institutions: Investment houses [including venture capital organisations] are on the whole averse to the level of risk involved in investing in the types of company that can be found on a science park, primarily for the reasons listed above – poor covenant, long-lead in time before they are profitable. They are equally averse to investing in the physical infrastructure for the same reasons, poor quality covenant, low rental levels, high turnover of businesses, likelihood of insolvency, and high level of environment and services required.

With this level of market failure, SEG decided to intervene and undertake further direct public-sector investment in the Park, with the objective of attracting the private-sector to become involved at a later stage.

In 1996/97 SEG invested around £4.5 million in the infrastructure of the Park. They created a major roundabout on Maryhill Road which served two purposes:

- Traffic management; and
- Creating a unified environment for the Park

The latter was probably more important than the traffic management. As the Park had been created on either side of a major road, there was no sense of the two campuses being a single entity. The investment in the roundabout has gone a long way to rectifying that situation.

Other works carried out included an extensive landscaping proposal and the grouting of old mine workings to facilitate sewer re-alignment, thus allowing the area to the front of Todd Campus to be developed and increasing the "single entity" environment.

The physical works were accompanied by an intensive marketing campaign aimed at increasing awareness of the function and environment of WoSSP, including:

- Highlighting links with Glasgow's universities;
- Explaining business support mechanisms available;
- Branding the Park as a major location for technology and R&D businesses;
- Promoting the high-quality of the mature parkland environment as a setting for high-tech companies.

All of this – the physical works and the market campaign – were under-pinned by proposals to bring to the fore the work of Targeting Technology [located on the Park] and Services to Software[4]. It was intended that those organisations would play a vital role in improving the performance of the businesses on the Park and in improving the links between the businesses and the universities.

[c] West of Scotland Science Park

The WoSSP is located on Maryhill Road in the north of the city of Glasgow close to its boundary with Bearsden. The Park is located on two campuses, which straddle Maryhill Road, Kelvin Campus and Todd Campus.

The WoSSP consists of c. 25 ha [c.61 acres] with 15,000 sq m [161,000 sq ft] of accommodation[5]. Scottish Enterprise owns c. 12 ha [29.4 acres] of land on Todd Campus and the remainder [including all of Kelvin Campus] is leased from Glasgow University [the owners of the Garscube Estate] for a period of 125 years. This includes around 2 acres, along the frontage of Todd Campus, bought by SE from Glasgow University with SE relinquishing its lease on two areas within Kelvin Campus allowing the University to develop a sports and leisure complex running alongside the distributor road on Kelvin Campus. Those facilities are available to companies on the Park.

[4] Now combined to form Targeting Innovation and based in SEG's offices in Atrium Court in the centre of Glasgow.
[5] Including common areas.

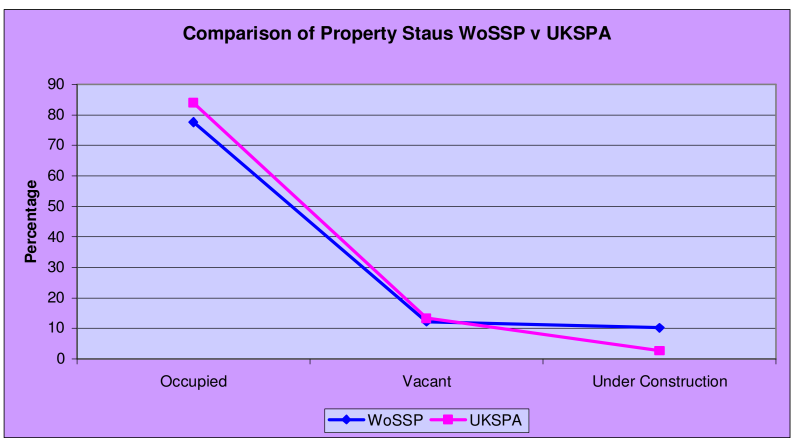
Kelvin Campus caters primarily for smaller companies, with larger businesses being accommodated within Todd Campus. All of the accommodation on Kelvin Campus is available on a leased basis only.

Accommodation on Todd Campus is a mixture of leased and owner-occupied.

In October 2003 vacant accommodation available for immediate occupation amounted to 3,543 sq m. That figure includes the former Pantherix building, owned by Neilstra Developments Ltd, which only became vacant during the time of the study. The owner has already received a serious enquiry for the building. Prior to the winding-up of Pantherix the amount of vacant space on the Park was 660 sq m.

A comparison of the status of the property on WoSSP with that for the UKSPA members is shown I Figure 2.1 below.

Figure 2.1 Comparison of Property Status



The UKSPA member science parks [of which, WoSSP is one] has an overall slightly higher percentage of property occupied. The vacancy percentage is marginally lower on WoSSP than for UKSPA and the percentage under construction is higher on WoSSP than for the UKSPA members. The WoSSP is performing well in property terms in comparison with the UK as a whole.

Two private-sector developers have a total of 3,000 sq m [c. 32,000 sq ft] of new-build accommodation under construction on Kelvin Campus at the present time. It is estimated that the accommodation will be available between March and June 2004.

The land occupied by the private-sector developments is sub-leased to the developers on payment of a grassum.

Table 2.1 below gives an analysis of accommodation "ownerships" within the two campuses.

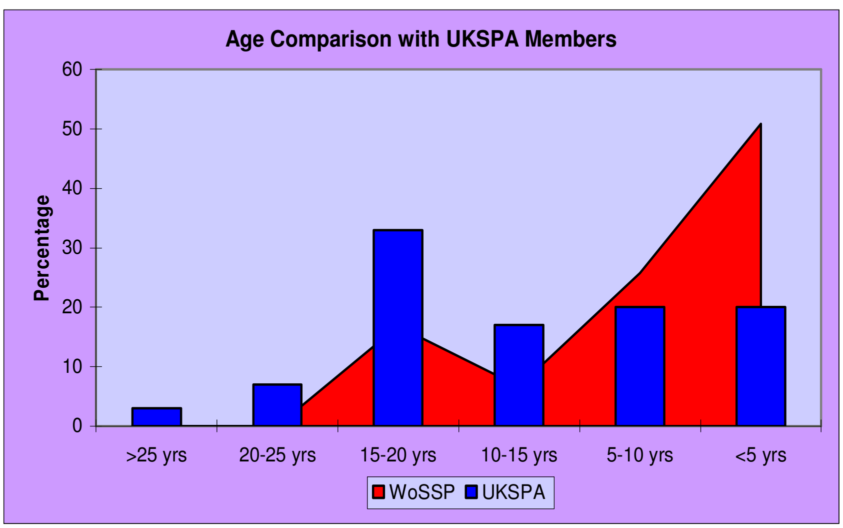
Table 2.1 Ownerships[6] on WoSSP

Owner	Area Sq m
Scottish Enterprise	5,646
Neilstra Ltd/ St Enoch Developments	13,457
Speyroc Ltd	1,260
Owner-Occupied	1,125

Further analysis is given in Section 5.3 Displacement.

WoSSP has been developed over a twenty-year period from 1983 to 2003

Figure 2.2 Age of Properties Comparison



6 Ownership on Kelvin Campus is restricted to a ground lease or sub-lease only: ultimate ownership rests with University of Glasgow.

Figure 2.2 shows that the Park was first developed between 5-10 years after the first UK since park developments. It also shows that the major developments have taken place on the Park over the past 5-10 years. Whilst the Park's origins are twenty years old, this graph shows that the majority of the Park is comparable with the youngest of the science parks in the UK.

Entrance Todd Campus

3 OBJECTIVES OF WEST OF SCOTLAND SCIENCE PARK

[a] What is a Science Park?

The United Kingdom Science Park Association [UKSPA] defines a science park as "*a cluster of knowledge-based businesses, where support and advice are supplied to assist in the growth of the companies*" and a place that:

- Encourages and support the start up, incubation and further growth of innovative businesses with good growth potential;
- Provides an environment where larger, frequently international businesses can develop specific and close interactions with a particular centre of technology for their mutual benefit.
- Usually has a formal and operational link with such a reservoir of technology.

[b] The Objectives of WoSSP

The key objectives identified for the West of Scotland Science Park were:

- To provide close linkages with Glasgow's universities;
- To provide purpose-built accommodation within a high-quality environment;
- To act as a focus for inward investment and indigenous company growth.

From the basis of those objectives, SEG identified three key target client groups:

- New and recent start-up companies from the local area [including spin-outs from the universities];
- Existing companies undergoing significant change, where the re-location to WoSSP could assist the successful implementation of the changes;
- Inward investment cases that fitted with the overall strategy for WoSSP.

The accommodation, infrastructure, business-support and management facilities on WoSSP were developed with those target client groups in mind.

4 WEST OF SCOTLAND SCIENCE PARK RESIDENT BUSINESSES

There were 25 businesses located on the Park at the time of the study. A full list of the companies with a brief synopsis of their activities is at **Appendix 1**. This list identifies those businesses who took part in the survey.

The businesses ranged from a compound semi-conductor foundry, through medical devices to advanced solid-state laser systems. In terms of organisational structure the businesses were again extremely varied, from one-person outpost of a large organisation, through a successful home-grown business to a large provider.

In total the businesses support 780 full-time jobs and 43 part-time jobs.

Over half of the companies on the Park were very willing to take part in the evaluation process and thought it a useful process, particularly when used to inform future developments. There were, however, a considerable number who were very reluctant to take part in the survey and it required several contacts to persuade them to be interviewed. Five companies [20% of the occupants] did not take part.

4.1 Company Types

The businesses interviewed are primarily private limited companies [74%]. All of the five companies that did not take part in the study are private limited companies: Figure 4.1 shows the composition for the whole Park.

Table 4.1: Types of Companies Taking Park in Study

Type of Company	Percentage
Private Limited Company	74
Foreign-owned public company	5.3
Government Department	5.3
Government Agency	5.3
Limited by Guarantee	5.3
Public Utility	5.3

Base=19

Figure 4.1 Types of Companies on Park

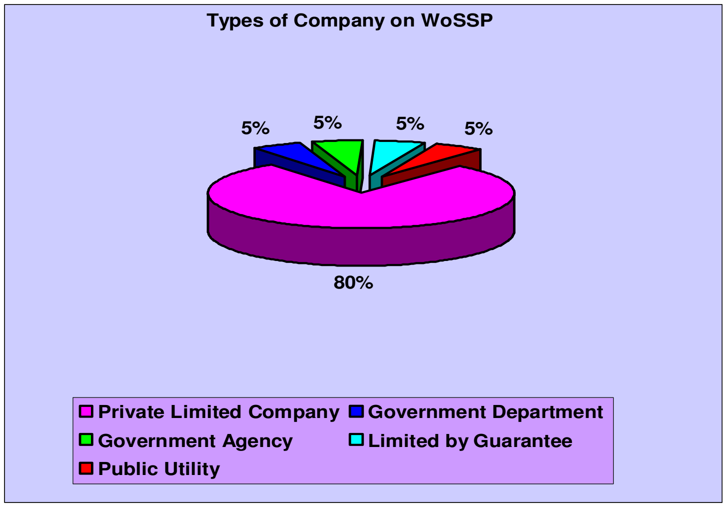


Figure 4.1 clearly shows that most of the companies on the Park are private limited companies; therefore, there is no over reliance on public-sector organisations.

4.2 Length of Time on Park

Table 4.2: Length of Time Companies on Park

Length of Time	Percentage
1-4 years	63
5-10 years	21
10-15 years	11
15-20 years	5
Average time on Park	5.1 years

Base=19

Table 4.2 shows that the average length of time on the WoSSP is 5.1 years, with 63% of the companies being there for four years or less. Although the WoSSP has been in existence since 1983, only three buildings were completed at that time, with a further three in 1987 and four in 1996/7.

The average length of time on the Park is believed, therefore, to be consistent with both the development pattern of the Park and of the companies themselves[7].

4.3 Nature of Companies

Of the 19 businesses that took part in the survey, 72% were existing businesses relocating and the remaining 18% were start-up businesses.

Table 4.3: Nature of Companies

Nature of Company	Number
Existing Business	13
New-Start Business[8]	6

Base=19

4.4 Age of Companies

The average age of the companies on the Park is 7.7 years: the largest percentage [47%] being in the 5-10 years age range.

Table 4.4: Age of Companies

Age of Company	Percentage[9]
1-4 years	32
5-10 years	47
11-15 years	11
15-20 years	5
>20 years	5
Average age	7.7 years

Base=19

The average age of the companies is higher than the average time the companies have been on the Park, which is consistent with the majority of the businesses being relocations.

[7] Companies moving into full-scale production require to relocate off of the Park. In some instances companies that experience a decline in their businesses have moved out of the Park to cheaper, lower-quality properties.
[8] Includes one new function of an existing organisation.
[9] May not total 100% due to rounding.

4.5 Origins of WoSSP Businesses

Table 4.5: Origins of Businesses

Previous Location	Percentage
Outside Glasgow	31
Elsewhere in Glasgow	27
Nowhere [New Start][10]	31
Worked from Home	11

Base=19

The origins of the businesses were further analysed by distance in Table 4.6 below:

Table 4.6: Origins of Businesses – by Distance[11]

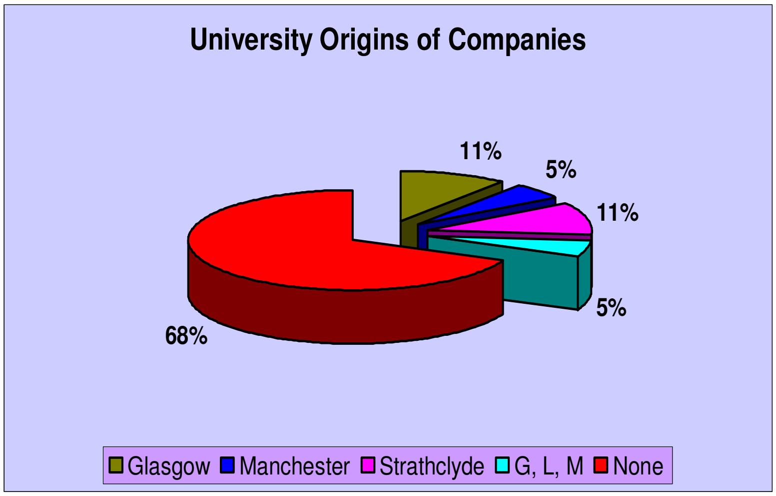
Distance	Number	Status		University-origins	University
		Existing	New Start		
< 10 miles	8	7	1	2	[2] Strathclyde University
11-30 miles	3	3	0	0	
> 30 miles	2	2	0	2	[1] Leicester, Manchester and Glasgow Universities; [1] Glasgow University
New Starts no previous premises	6	0	6	2	[1] Glasgow University [1] Manchester University
Totals	19	12	7	6	

Three of the new-start businesses originated in universities: one in Manchester University, one in Strathclyde University and one in Glasgow University. Two of the existing businesses had previously worked from a private home.

Figure 4.2 gives an analysis of the university origins of the businesses.

[10] Includes one new function of an existing organisation.
[11] This table excludes six businesses who either moved from home to the West of Scotland Science Park or who were new-start businesses with no previous location. It should be noted that one of the new start business said it briefly occupied previous premises.

Figure 4.2 University Origins of Businesses



As can be seen from Figure 4.2, 68% of the businesses did not originate in a university, 22% originated in Glasgow universities and 10% in universities in England. Although in one instance this was an idea originating through co-operation among three universities, Glasgow, Leicester and Manchester.

The average percentage of university spin-outs accommodated on UK science parks in 2001 was c. 21%[12]. The WoSSP is well above average in having 32% of its resident businesses originating in universities.

4.6 Business Activities

The interviewees were asked to describe what they saw as being their main business activity. The responses have been brought into six broad categories, roughly in line with UKSPA statistical categories. Although in this instance laser/sonar technology has been identified as a separate category.

[12] "Origin of Tenants", United Kingdom Science Park Association Annual Statistics 2001.

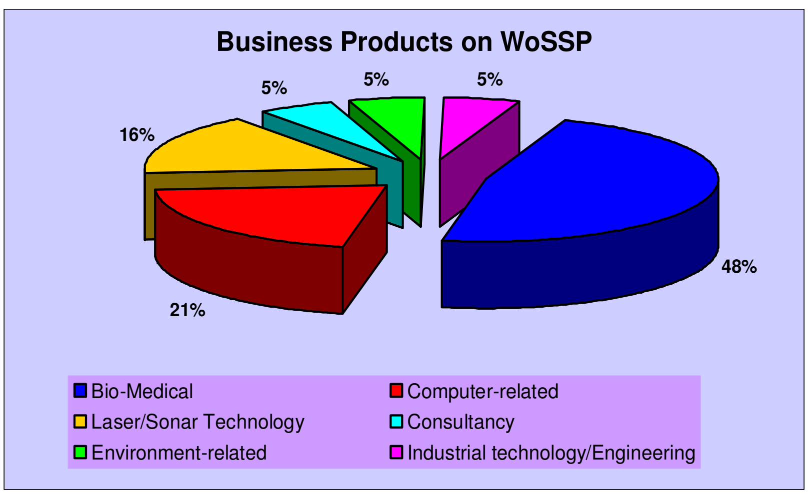
Table 4.7 Business Products of Respondents

Business Activity	Percentage
Bio-Medical	48
Computer-related	21
Laser/Sonar Technology	16
Environment-related	5
Industrial technology/Engineering	5
Consultancy	5

Base=19

It can be clearly seen that the largest single activity amongst the interviewees is in the field of bio-medical activities. Figure 4.3 shows the composition of the Park when taking into account the published activities of the non-respondents.

Figure 4.3 Business Products on the Park



Within those broad product areas, the businesses were asked what they saw as their main activity. Table 4.8 shows the results.

Table 4.8 Business Activities of Respondents[13]

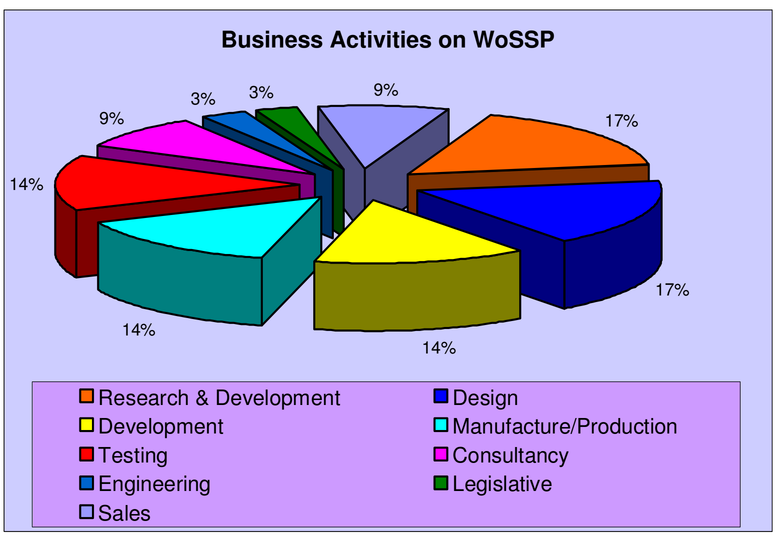
Activity	Percentage[14]
Research & Development	22.2
Design	14.8
Development	14.8
Manufacture/Production	14.8
Testing	14.8
Consultancy	7.4
Engineering	3.7
Legislative	3.7
Sales	3.7

Base-26

4.9 Business Activities on Park

Once again, there was sufficient information available to extrapolate this analysis to cover the whole of the Park: the results are given in Figure 4.4 below.

Figure 4.4 Business Activities on WoSSP



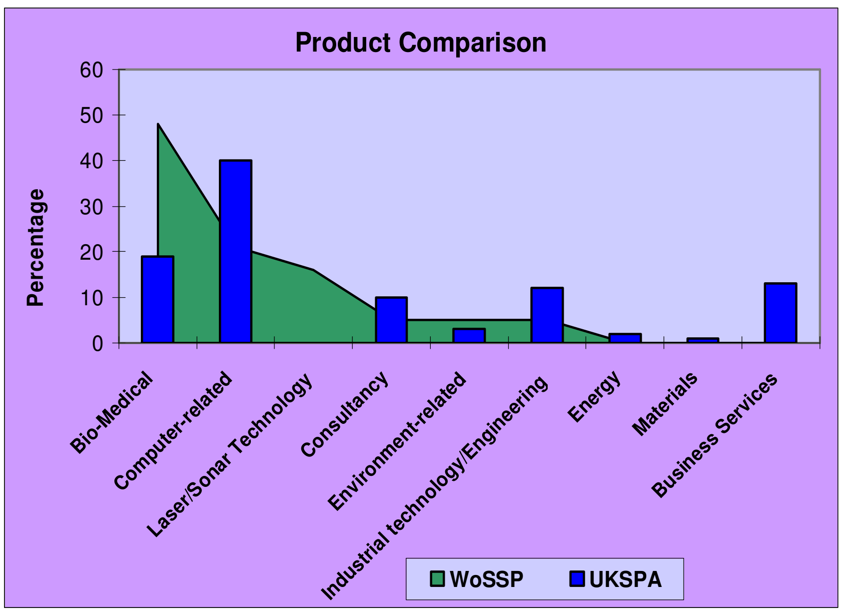
[13] As some of the businesses cited more than one activity, the base is higher than the number of businesses.
[14] Any differences are due to rounding.

The two main activities on the Park are Research and Development and Design [both at 17.1% of total activities], followed by Development, Testing and Manufacture/Production [all at 14.3%].

4.10 How Does the Business Mix on WoSSP Compare with UK Science Park Average?

The two figures below show a comparison of WoSSP with the UKSPA figures. Figure 4.5 shows a comparison by product and Figure 4.6 by activity.

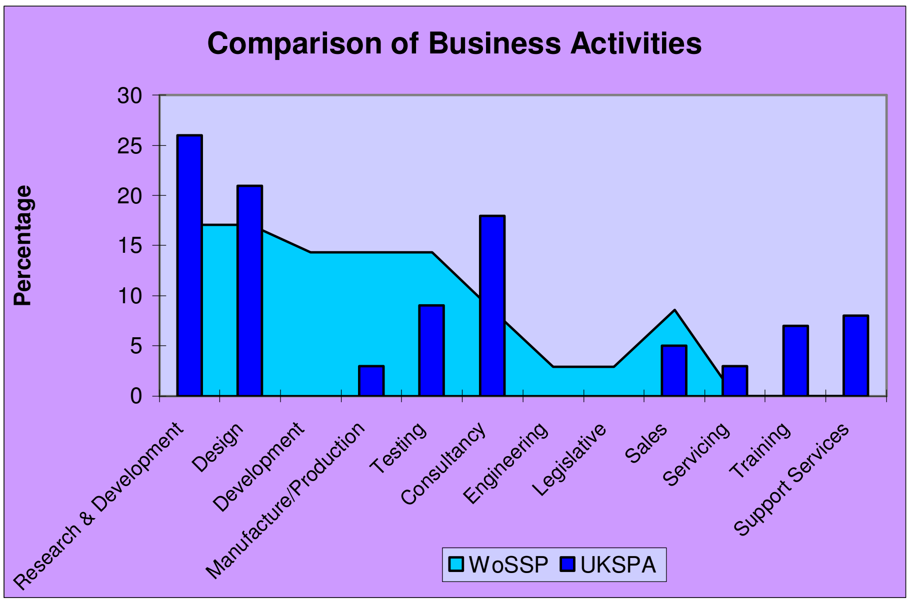
Figure 4.5 Comparison of Business Products



This comparison is based on the number of businesses in each of the categories. WoSSP has a considerably higher number of bio-medical businesses but fewer computer-related. This is consistent with SEG's policy of limiting the number of computer-related business on the Park on the basis that the majority of such businesses do not require the specific science park environment and can function well in a high-quality business park setting. The number of consultancy companies on the Park is also slightly lower than average. The laser/sonar technology is not shown as a separate category in the UKSPA statistics, but if added to the industrial technology/engineering, WoSSP would again have a higher representation than for the UKSPA Parks overall.

The lack of professional support services[15] on the Park - given the size of the Park – is believed to be a positive feature. The concentration of the resident businesses is on cutting-edging technologies which are likely to bring greater economic benefits to the city than having a smaller number of those companies together with the professional support services such as solicitors, accountants, and so on. In some cases, where a science park is isolated from a town or city centre, the existence of professional support services may be a positive aspect. WoSSP, however, is located about ten minutes' travel time from the centre of Glasgow; therefore, provision of support services is not believed to be an essential amenity.

Figure 4.6 Comparison of Business Activities



WoSSP has lower than the UK Science Park average of Research and Development activities, and although the Design group appears to be lower, when added to Development [not included in UKSPA classification] it is considerably higher than the UK figure. The Park has a lower percentage of Consultancy activities as well as Servicing, Training and Professional Support Services [as defined in footnote 15 below]. Overall, WoSSP has a high concentration of businesses involved in research & development/product design and development, which is in line with the criteria for the Park.

[15] Banking services, accountants, marketing companies, and so on.

The WoSSP can be seen, therefore, to have a good mix of tenant products and activities. All of the products and activities are consistent with the ethos of the Park, and compare very favourably with the UK Science Park Association Annual Statistics 2003.

Todd Campus

5 LOCATION DECISIONS

The respondents were asked about how they came to hear about the Park, why they chose it, what their second choice was and why.

5.1 How Did the Businesses Hear About WoSSP?

The businesses were asked how they heard about WoSSP in order to try to identify the most effective forms of promotion. The results are shown in Table 5.1 below.

Table 5.1 Information Sources

Source	Percentage
SE/SEG	32
Targeting Innovation[16]	16
Universities	16
Always knew of Park	11
St Enoch Developments Advertising	5
Site Trawl	5
Word of Mouth	5
Don't Know	5

Base=19

This demonstrates that almost half of the respondents hear about WoSSP through some part of the SE network. Private-sector advertising/marketing does not seem to have resulted in raising the profile of the Park. Without the public-sector input there would seem to be some risk to achieving full [or high] occupancy. There may be a change in this situation once a second private-sector developer commences marketing.

Three new-start companies cited SE/SEG as their source, one cited Targeting Technology and one cited universities.

[16] Targeting Technology/Services to Software

5.2 Why Did the Businesses Choose WoSSP?

Many of the businesses gave more than one reason for their decision to locate on the Park. Table 5.2 summarises the responses.

Table 5.2 Reasons for Locating on WoSSP

Reason	Percentage
Environment of the Park	32.3
Sites available to accommodate expansion	22.2
Location	18.2
Financial [17]	12.1
Facilities [meeting rooms, etc]	6.1
Collaboration with Universities	6.1
Availability of shell unit	3.0

Base = 33

In spite of the cliché stating that the three most important factors in deciding on property are location, location, location, it came only third in the list of reasons given by the businesses.

The most popular reason for locating on the Park was, by far, its environment. In commenting on the environment respondents mentioned in particular good parking and image. Half of the respondents stressed the importance of the environment in relation to the image their business projected to clients and in providing staff with a high-quality working environment.

[17] Includes three companies given financial support from SE network: two of which were start-up businesses.

5.3 Displacement

The companies were asked where they would have located their businesses had the WoSSP not been available to them. The responses are summarised in Table 5.3 below.

Table 5.3 Second Choice Locations

Second-Choice Location	Percentage
Business Park in Glasgow	14.3
Business Park outside Glasgow	33.3
Any Business Park	9.5
Other Properties	23.8
Outside UK	4.8
No idea where they would have gone	14.3

Base=21

"Other Properties" included low-cost office unit, new build on Greenfield site, renovation of existing premises, cheaper options. Two of the responses given were qualified by the company stating that they wouldn't really have been suitable. One company would have located in the Netherlands, Sweden, Germany or France had the WoSSP not been available to them.

"Business Parks outside Glasgow" included East Kilbride Technology Park, City Centre Business Park, Clydebank Business Park, Stepps Business Park and Bathgate.

In terms of displacement of private-sector activity, it could be argued that around three-quarters[18] of the businesses would have found accommodation elsewhere in the UK in either private or other public-sector accommodation. That simplistic approach, however, ignores the function of SEG, which is to promote and assist the economic growth and development of the City of Glasgow. One of the functions of SEG is to attract and/or retain businesses in the city, thus providing employment opportunities for residents and increasing income to the city. As can be seen from Table 5.3, almost 86% of the businesses would have located outside Glasgow and, one company would not have located in the UK at all as only WoSSP [with its high-quality environment, access to skilled labour market and links with three universities] met the company's criteria.

[18] Leaving aside the "Outside UK" and "No idea…" categories.

Looking at the question of displacement from a different level the companies were asked why their other options were a "second best". The reasons why their alternative[s] was a second choice[s] were:

Table 5.4 Reasons for Second Choice

Reasons for Second-Choice Location	Percentage
Location	25.0
Rental Level	17.9
Poorer quality environment	14.3
Size of Accommodation	14.3
Type of Accommodation	14.3
Lease duration	10.7
Service Charge	3.6

Base=28

In this instance location – or lack of it – came top of the list. A quarter of the businesses thought that their second choice would be in a poorer location. That would seem to qualify the previous section; in as far as location is only less important when the business has the location it wants.

Just fewer than eighteen percent cited higher rental level as the reason for their alternative being second choice. Around eleven percent cited less attractive lease duration as the reason. It could be argued that by offering lower rental levels and more flexible lease terms, SEG is displacing private-sector activities. It is, however, open to the private-sector landlord to decide how flexible lease terms should be.

The aspect of SEG's intervention in the market, which could be seen as having the highest potential for displacement, is rental level. Were SEG to offer accommodation of the quality of WoSSP at a non-commercial rent there would be scope for market distortion and thus displacement of private-sector supply.

In rental terms WoSSP compares commercially with similar properties both on other science parks throughout the UK and business parks in Scotland. Rental levels recently increased by 33% over three years, which Colliers believed was in line with market increases: the tenants, however, did not agree and thought the increase high.

Table 5.5 below gives an indicative range of science park rental and service charge levels in various parts of the UK. This intended to be indicative only and to show the level of WoSSP's rents and service charge in relation to other parks.

Table 5.5 Other Science Parks in UK

Science Park[19]	Rent Per Sq M	Service Charge Per Sq M
Surrey Research Park	£450.00	£100.00
Alba Centre, Livingston	£350.00	Not given
York Science Park	£300 – office £450 - lab	Included
SP4 [North-East England]	£177.54	£150.64
Aberdeen S&T Park[20]	£156.02	£48.42
Nottingham S&T Park	£155.67	Not given
Edinburgh Technopole	£161.46	Not given
Roslin Bio Centre, Midlothian	£160.00	Not given
Warwick Innovation Centre	£150.69-£161.46	£21.52-£45.74
SP2 [Midlands]	£129.12	£37.66
West of Scotland Science Park	**£84.38 – £161.46**	**£14.53[21] - £45.74[22]**
Tamar Science Park	£122.66	Included
Hannah Research Park, Ayr	£108.00	Not given

[19] Where SP followed by a number is used, this is because the science park contacted did not wish their details to be used.
[20] Davidson House rental levels.
[21] Average figure for Blocks 1-4 Kelvin Campus. Buildings 7 & 8 Kelvin Campus are charged to Neilstra at £8.71 psm and Todd Campus service charge is £3.22 psm.
[22] This higher figure relates to Block 6 only where a higher level of service is provided.

As almost 29% of the businesses cited a business park outside Glasgow as their alternative choice, some comparison has been attempted with business parks in various parts of Scotland. This is a snapshot only of business parks in the sort of areas cited by the companies. It did not prove possible to obtain sufficient information on service charges; therefore, that element is not included in Table 5.6 below. The information contained in the table is intended only as an indicator of the position of the WoSSP rental level at the present time.

Table 5.6 Business Parks in Scotland

Business Park	Rent Per Sq M
Evans Business Centre, Kirkcaldy	£76.53
Dunfermline Business Centre	£90.95 - £115.71
West of Scotland Science Park	**£84.38 – £161.46**
Alloa Business Centre	£131.32
Cirrus Building, Glasgow Airport	£140-£188
Almondvale Business Park, Livingston	£172
Strathclyde Business Park, Bellshill	£185
Ratho Park, Newbridge	£194
Hermiston Quay, Edinburgh	£275
Adaptive House, Quarrywood Court Campus, Livingston	£269.10
The E-Centre, Laurelhill Business Park, Stirling	£322.92
Glasgow Business Parks	
Glasgow Business Park	£141
Central Quay	£183

There is a fairly wide range of rental levels on WoSSP reflecting the variety of accommodation available to businesses. Rental levels for the properties under construction are estimated to be in the range £145.31 - £150.69 psm [£13.50 - £14.00 psf]. WoSSP's rental levels cover a large portion of the UK science parks and Scottish business parks spectrums. This is believed to be one of the strengths of the Park that it can cater for all businesses from the embryonic to fully mature.

There is no evidence to suggest that the Park is displacing private-sector activity in relation to rental levels as those businesses paying the lower level rents are unlikely to be sufficiently attractive to private landlords.

Although the respondents had stressed the importance of the environment to their businesses, "poorer quality environment" was only the third most common reason for their second choice. In considering their second choice "less satisfactory location" was the most important in that the respondents considered all of the second choices available to them were in less attractive locations.

In considering the issue of displacement, it is worth noting that WoSSP is not a wholly public-sector owned facility. The current ownerships on the Park are shown in Figures 5.1 – 5.3 below. It should be noted that "ownership" on Kelvin is restricted to either a ground lease or sub-lease, as ownership of the land rests with the University of Glasgow.

Figure 5.1 Kelvin Campus Ownerships

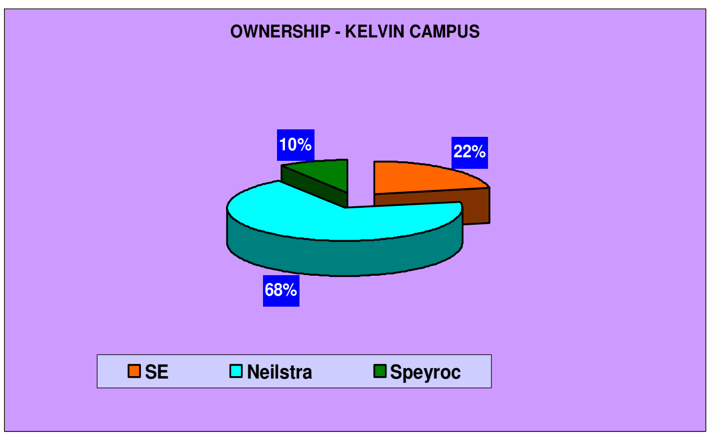


Figure 5.2 Todd Campus Ownerships

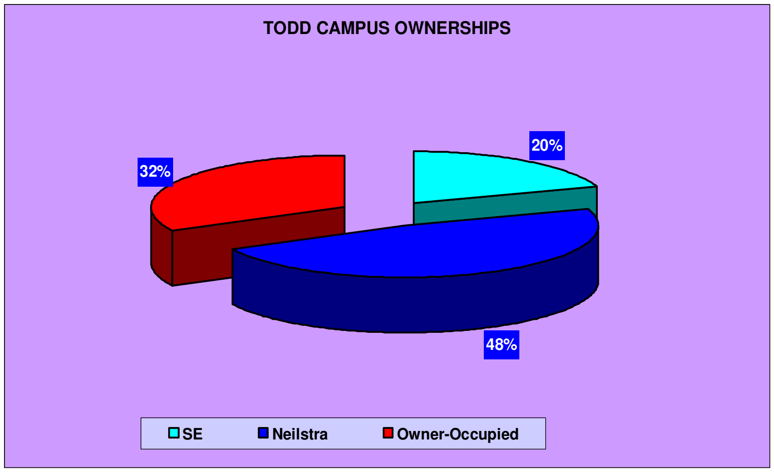
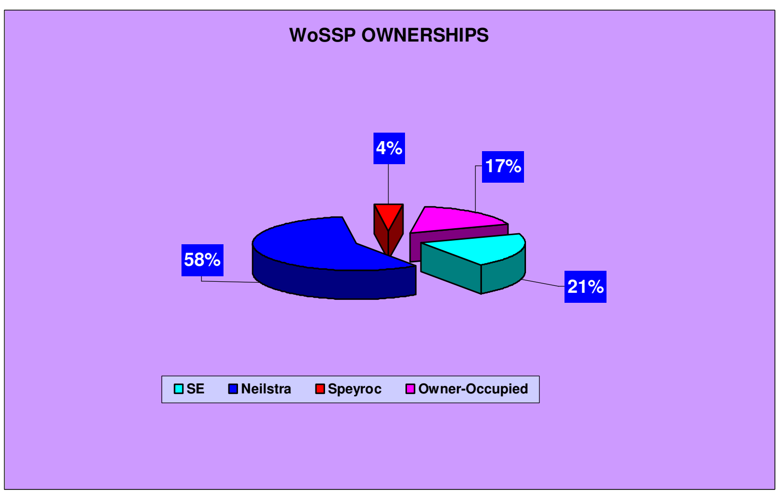


Figure 5.3 WoSSP Ownerships



Seventy-eight percent of the accommodation on Kelvin Campus is privately-owned and 80% of that on Todd. The overall private-sector ownership on WoSSP overall is 79%, with Neilstra being the largest single owner with 58%.

By developing the first two phases of the Park and carrying out further improvements to the infrastructure and the environment in 1995, SEG's [and the earlier SDA's] activities, far from displacing private-sector activity, would seem to have encouraged and attracted it.

The initial development of WoSSP by the public-sector would seem to have had minimal displacement effects on the market and, in subsequent phases, has actively increased the level of private sector investment in the city.

Todd Campus

6 MARKETS

This section looks at how successful WoSSP is and how successful the resident businesses are in relation to the markets for their main products and services.

In carrying out the interviews, the respondents were asked to provide some information on their activities, their markets and market share. The purpose of doing so was to attempt to measure the level of achievement accruing from the development of WoSSP.

6.1 WoSSP Market

The UKSPA definition of a Science Park is:

A Science Park is a business support and technology transfer initiative that:

- **Encourages and supports the start up, incubation and development of innovation led, high growth, knowledge based businesses.**
- **Provides an environment where larger and international businesses can develop specific and close interactions with a particular centre of knowledge creation for their mutual benefit.**
- **Has formal and operational links with centres of knowledge creation such as universities, higher education institutes and research organisations.**

Based on those definitions, the key market segments for WoSSP are:

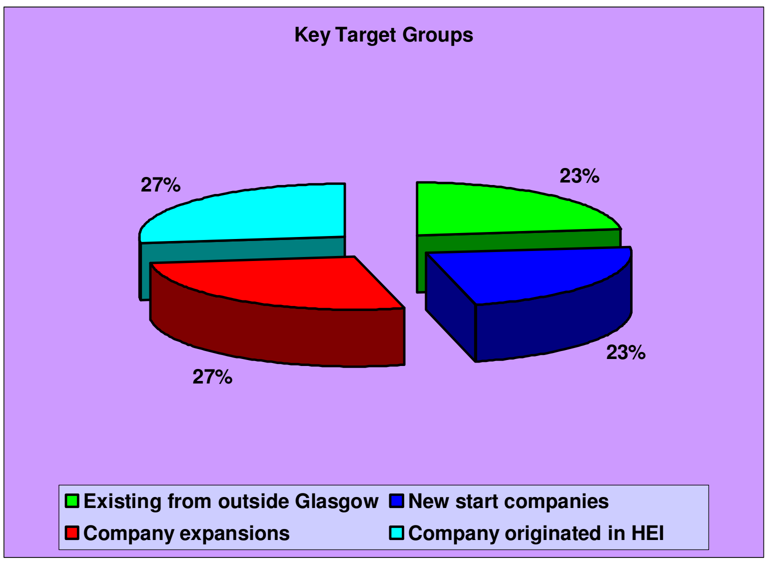
1. New and recent start-up companies;
2. Existing companies undergoing expansion;
3. Existing companies from outside Glasgow;
4. Companies originating in HEIs.

Table 6.1 below shows the distribution of the type of tenant based on the key client target groups as far as possible.

Table 6.1 Target Groups[23]

Number of companies	Type of company	Key Target Group
6	Existing companies from outside Glasgow	3
6	New start companies	1
7	Company expansions	2
7	Company originated in HEI	4
26	Total	

Figure 6.1 Target Group Representation



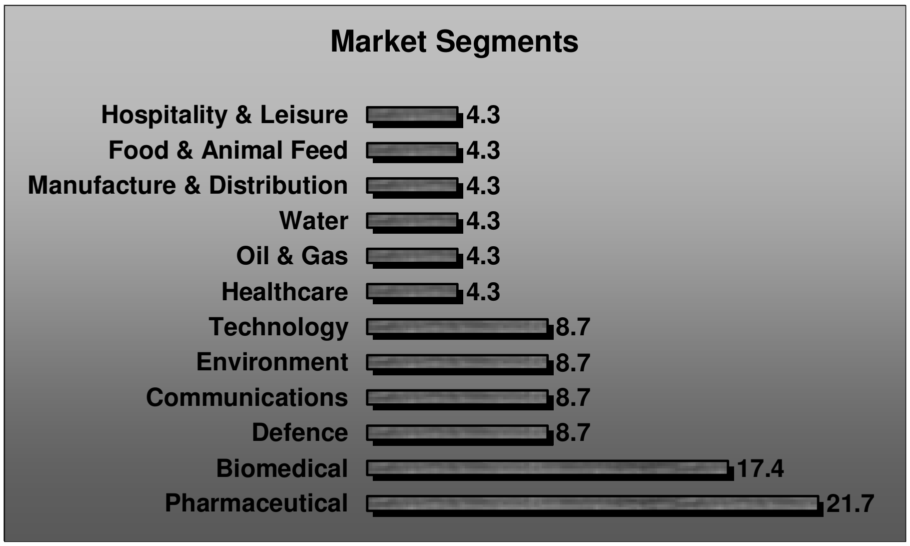
It can be seen at a glance from Figure 6.1 that WoSSP has been equally successful in relation to all of the target groups: with the highest representations being company expansions and companies originating in HEIs.

[23] Some companies fell into more than one group, therefore, total exceeds number of respondents.

6.2 Companies' Market Segment

The market segments in which the WoSSP companies are involved are shown in Figure 6.2 below.

Figure 6.2 Market Segments[24]



The two largest market segments[25] for WoSSP companies are the pharmaceutical industry [21.7%] and the bio-medical industry [17.4%], demonstrating an emphasis on the high-tech, leading edge industries. There is, however, a good spread of market segments minimizing risk to the WoSSP from a downturn in any one market segment.

6.3 Current Geographic Markets

The science park companies currently are involved in markets in all parts of the world and several operate in global markets. The analysis of the geographic markets is shown in Table 6.3 below[26].

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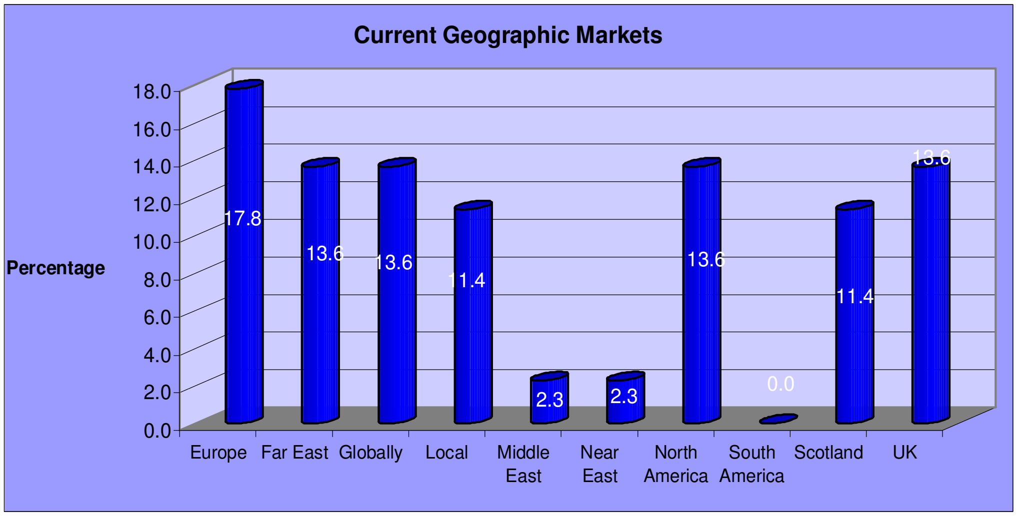
[24] These categories relate to the market segment into which the companies sell their goods or services.
[25] Some companies sold their goods or services to more than one market.
[26] This includes three companies whose markets are limited by legislation, as discussed further below.

Figure 6.3 Current Geographic Markets



The largest geographic market for WoSSP companies is Europe [17.8%] followed by Far East, North America, UK and global markets. The Middle East and Near East markets had the lowest share [other than South America], with Scotland and local markets at 11.4%.

6.4 Market Share

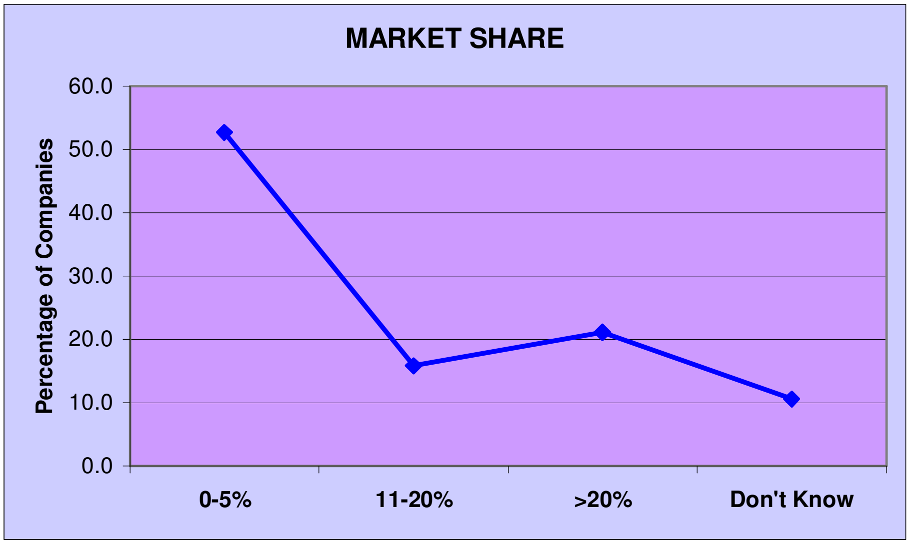
The businesses were asked to estimate the share of the market secured by their main product or service. Only two companies did not know. The companies were asked if they could estimate the size of their markets and seventeen responded. The market sizes are given in broad bands, therefore, it is not possible to estimate market share in monetary terms. Table 6.2 shows the estimated market sizes and Figure 6.4 shows the companies' estimates of their market share.

Table 6.2 Estimated Market Sizes for Main Products[27]

Market Size [£million]	Percentage
<£10 mn	11
£10-£50 mn	20
£51-£100 mn	5
£101-£500 mn	20
>£500 mn	33
Don't Know	11

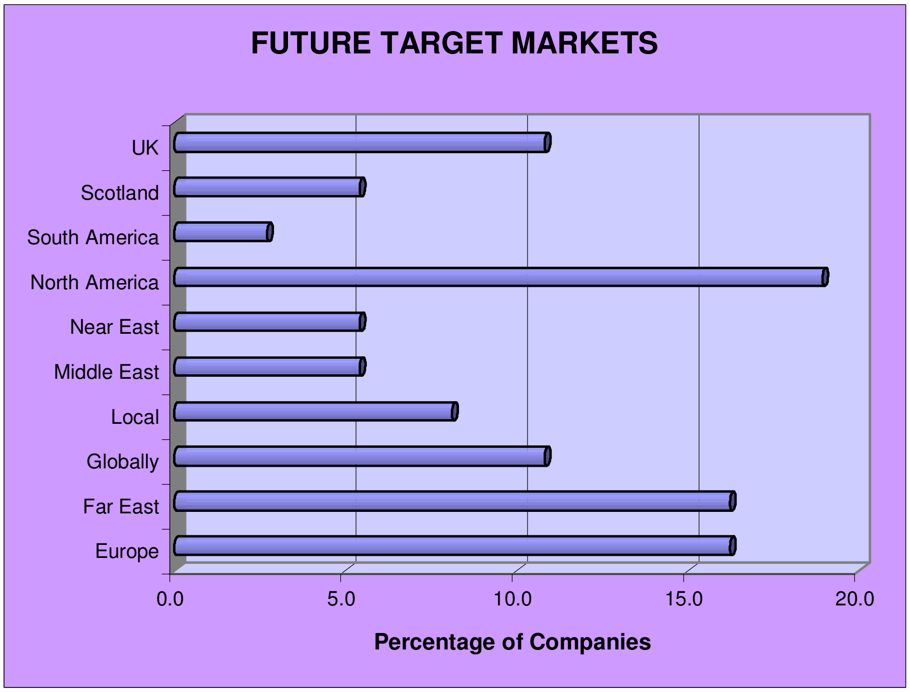
[27] Base=19.

Figure 6.4 Companies' Estimate of Market Share



Almost 53% of the companies said that they had less than 5% share of the market for their main product or service. That should be weighed against the results shown in Table 6.2 [above] where it can be seen that 33% operated in markets valued at more than £500 million per annum. At £500 million per annum, a 5% share would equate to £25 million.

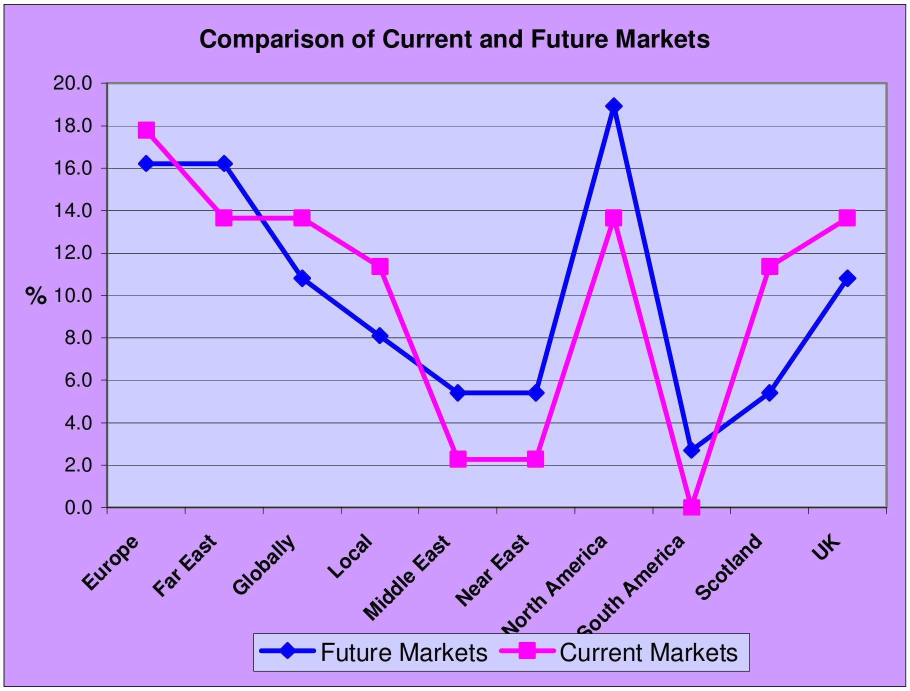
Figure 6.5 Future Target Markets



The companies were asked what new markets – if any - they intended targeting within the next three years. Only one company had no plans for entering any new markets. The results are shown in Figure 6.5 above. This shows that the companies have a bullish attitude towards their industries and see opportunities to expand the market penetration of their products and services over the three-year period. In talking with the companies, they were extremely positive about the future of their industries and the performance of their own products/services.

Figure 6.6 below shows a comparison of existing and future market activities. The future markets include existing markets where the company was intending to continue in that market over the next three years.

Figure 6.6 Comparison of Current v Future Markets



It can be seen that there is a slight drop in the local market and in those trading globally, with increases in the Middle East, Near East, and North and South America.

Much more in-depth market research information would be required to substantiate or contradict the tenant companies' projections, of course, but on the information available it would seem that the future marketing activities of the companies will bring increased turnover to the companies and thus increased economic benefits to Glasgow and Scotland.

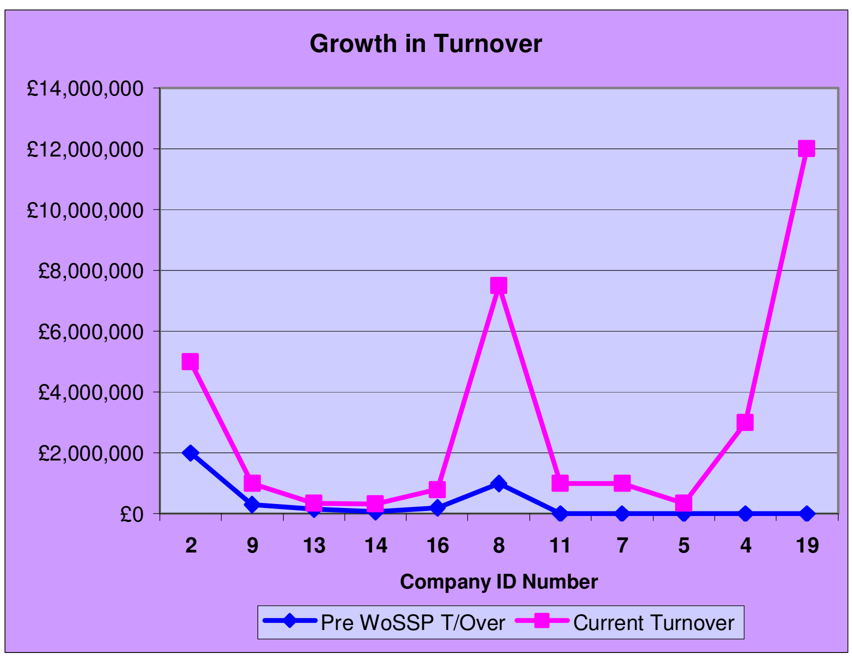
7 SALES PERFORMANCE

The businesses were asked if they could say whether their sales turnover had increased since their location on WoSSP.

Eighteen companies responded to the question, of which sixteen said that their turnover had increased. The six new start companies[28] all showed sales income at the time of the survey. One pre-existing company, that would not quantify its sales figures, said that its annual turnover had increased by 240% since locating on the Park.

Eleven of the companies were able to quantify their pre-WoSSP turnovers and current turnovers, and the results are shown in Figure 7.1 below. It can be clearly seen that companies 19, 2, 8 and 4 have achieved considerable increase in sales. The companies have been on the Park for 13, 3, 5 and 13 years respectively.

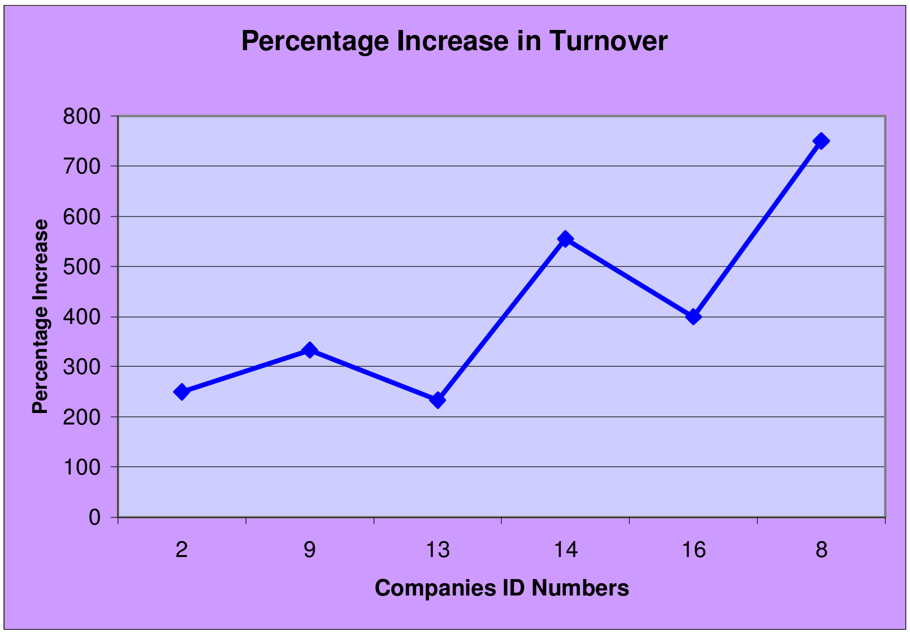
Figure 7.1 Growth in Turnover



[28] This excluded the new branch of an existing organisation, as it did not generate income, i.e. there was no charge to businesses for their service.

Figure 7.2 shows the percentage increase in turnover for the six existing companies included in Figure 7.1, as the remaining companies were new start businesses it is not possible to show a percentage increase.

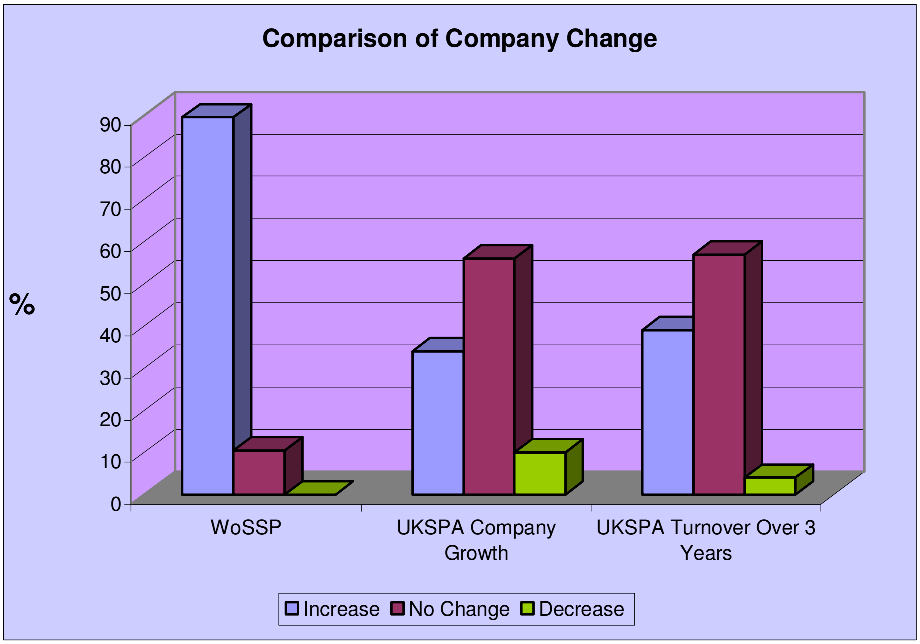
Figure 7.2 Percentage Growth in Turnover



The percentage increases range from 233% to 750% over the six companies.

The performance of the WoSSP is compared with that of the UKSPA members in Figure 7.3 below. It should be noted, however, that the comparison is for indicative purposes only as the UKSPA turnover figures are for a three-year period, the UKSPA growth figures for one year, and the WoSSP figures are for the period of time the companies have been located on the Park, which is an average of 5.1 years. It may serve, however, as an indicator of WoSSP's performance in terms of company performance.

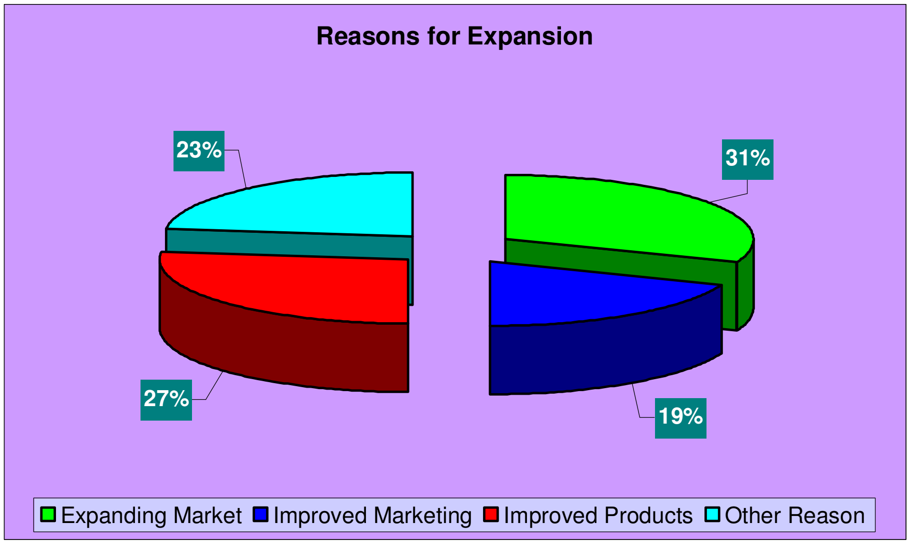
Figure 7.3 Comparison of Company Change



The percentage of companies reporting an increase in turnover is considerably higher at WoSSP than in either of the other two categories. As stated above, the WoSSP figures are over an average of 5.1 years compared with the UKSPA turnover figures, which are over three years. If a rough adjustment is made to bring the WoSSP figures in line with the UKSPA turnover figures, the percentage reporting an increase would equate to approximately 53% compared with the 39% in the UKSPA turnover figures. It should be stressed again, however, that this is illustrative only.

An important aspect of looking at change in the companies is the reason for the change. The companies were asked to what they attributed the change in turnover and Figure 7.4 below shows the analysis of their responses.

Figure 7.4 Reason for Change in Turnover



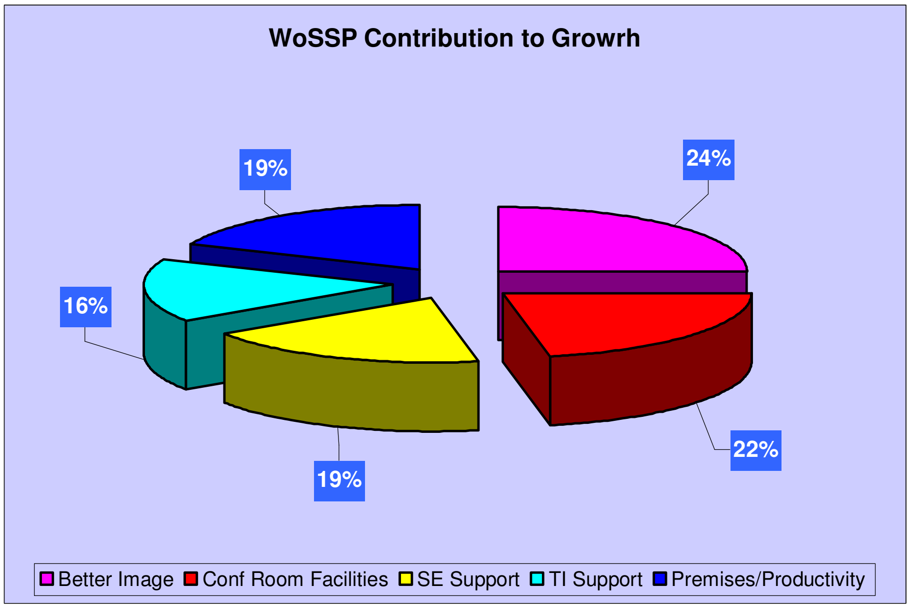
The main reason given for company growth is an expanding market, which is not surprising in view of the market segments the companies are involved in. Similarly, "improved products" comes as no surprise given the level of research, design and development undertaken on WoSSP. Improved marketing demonstrates the growing experience of the businesses in adapting their focus from the purely technological to the wider business field.

Included in "Other Reasons" were:

Other Reasons
1. WoSSP gave company credibility in terms of environment and image, leading to repeat business; 2. New legislation; 3. New products; 4. Getting on defence procurement cycle; 5. Getting specialist assistance from SE leading to greater market penetration.

Sixty-five percent of the businesses said that WoSSP had been a factor in the company's increased turnover. The reasons given are shown in Figure 7.5 below.

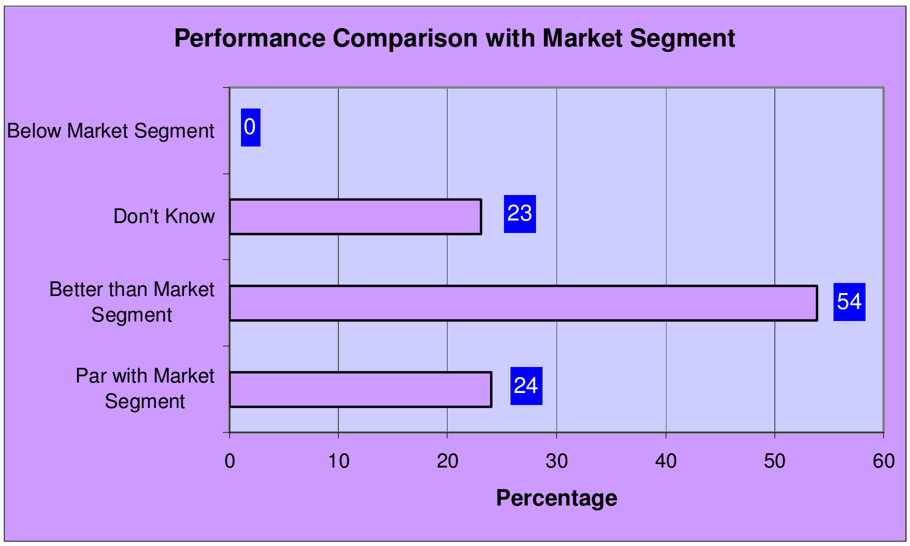
Figure 7.5 WoSSP Contribution to Business Growth



Better image for the company [24%] was the most common contribution made by WoSSP: that was followed by the availability of conference rooms and meeting facilities [22%]; improved premises leading to increased productivity and SE and Targeting Innovation support [both 19%]. One company pointed out that, in their field of bio-medicine, Central Scotland was one of the world's centres of excellence. Their clients could come to Scotland and visit at least two other major companies in this field.

The companies were asked if they could rate their sales performance in terms of the market segment in which they operated. Four of the companies would not answer the question. Of the fifteen companies who answered, four did not know how they rated. The results are given in Figure 7.6 below.

Figure 7.6 How Companies See Their Performance Compared with Market Segment

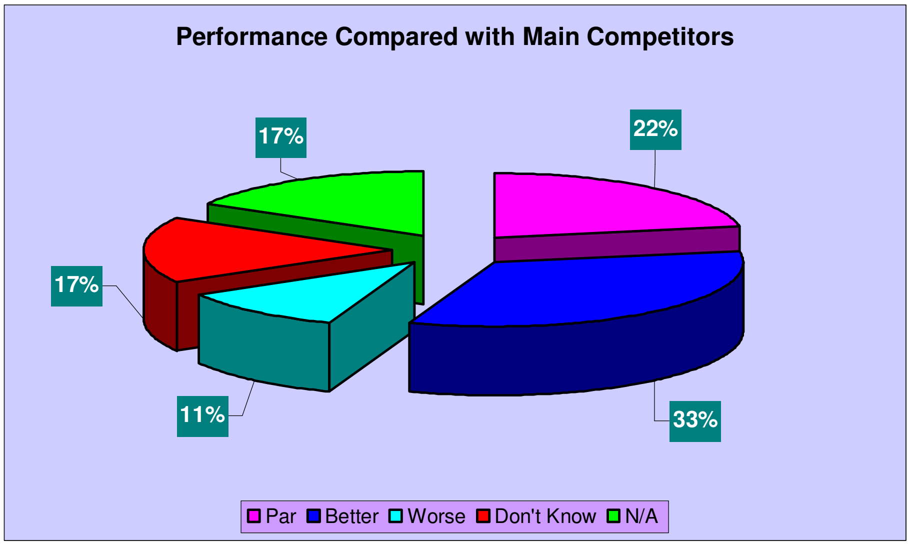


By far, the largest percentage saw themselves as doing better than the market segments in which they operated. A further 24% thought they were on a par with the market. No companies thought they performed below market performance.

Some care should be exercised in drawing conclusions from this analysis as the data set was comparatively small, i.e. ten companies who knew how they performed.

The companies were asked also how they thought they performed in comparison with their main competitors.

Figure 7.7 Comparison of Performance with Main Competitors



One company did not answer the question and three said it was not applicable [N/A in figure 7.7] to them as they did not have competitors for their particular function.

A third of the businesses thought they performed better than their competitors and 22% said they were on a par with their main competitors, with 11% saying they were not doing as well as their competitors. The main reason given for a poor performance was that competitors were more established in the marketplace. The company who cited that reason has been in existence for six years and on the Park for five: however, with recent assistance from SE they had increased their market penetration and turnover had increased by 400%. Only one company said they performed worse than their competitors without giving a reason: however, the company's turnover had grown to c. £1,000,000, having gone through many changes and developed new products.

Overall, the businesses would appear to be performing slightly better than their competitors and better than their market segments. The companies who said they performed worse than their competitors were showing real improvement.

Finally on the question of sales performance, the companies were asked to say how they saw their sales performance in three years' time.

Ninety percent of the respondents expected their sales performance to have increased in three years' time and 10% didn't know. The two companies who did not know both gave reasons for the uncertainty.

Company 3	Future sales were dependent upon the results of clinical trials of a new drug.
Company 1	The future of the company was in the balance due to difficulties in raising new finance in present investment climate.

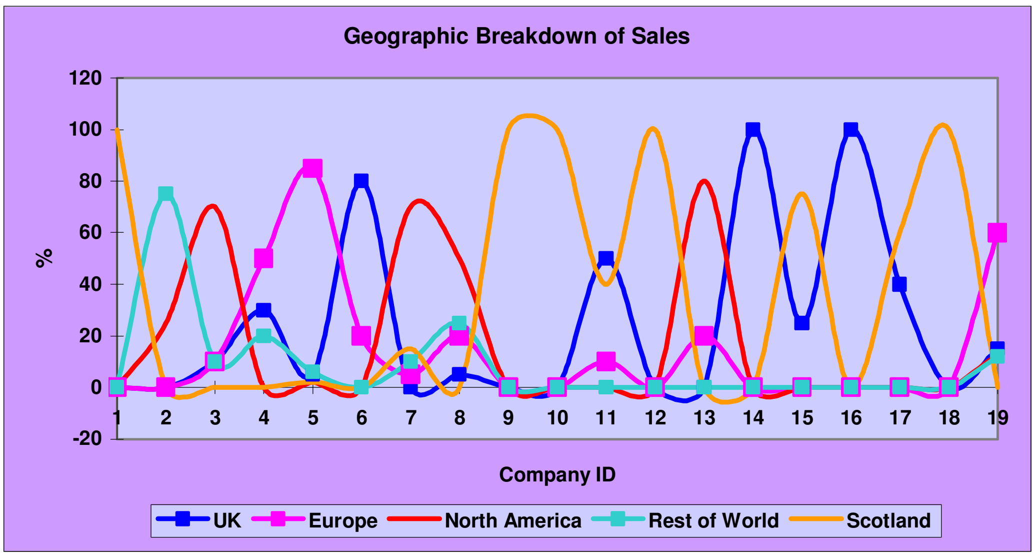
Tenant Company

8 EXPORTS

In considering whether one business's activities displace another, it is accepted that all income derived from exporting goods and services are truly additional to the national economy. In order to consider displacement, therefore, from the point of view of the business function [as opposed to the physical presence of the Park], the companies were asked if they could identify the percentage of their turnover attributable to the exporting of their goods or services.

Fifteen of the businesses were able to provide a breakdown of their sales in geographic terms and the results are given in Figure 8.1 below.

Figure 8.1 Percentage of Sales Exported[29]

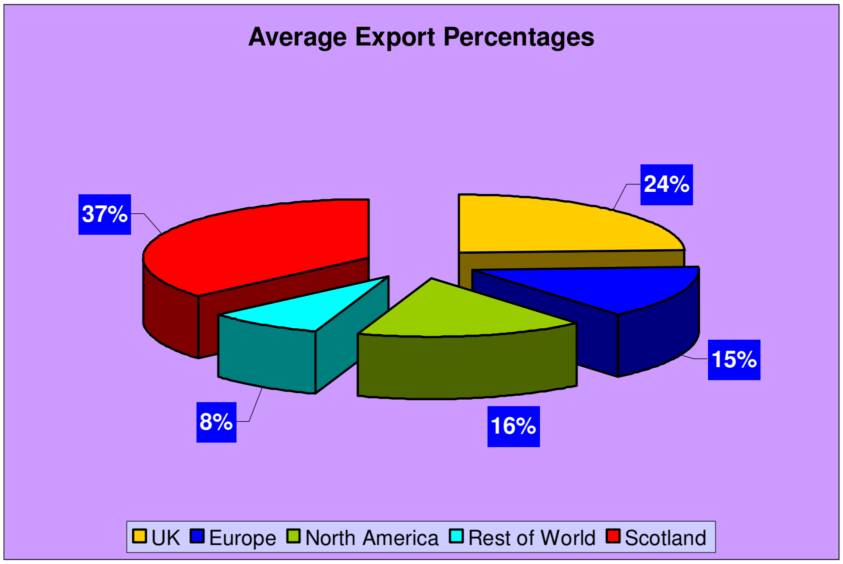


The largest percentage of sales is to the UK other than Scotland, followed by North America. Three of the companies who cite Scotland only are constricted by legislation to Scotland [or part of Scotland].

An analysis of the average percentage exported to the different geographic areas is shown in Figure 8.2 below. Scotland has been included for comparison purposes and, again, UK figures are for UK other than Scotland.

[29] UK in this instance excludes Scotland, which is shown separately.

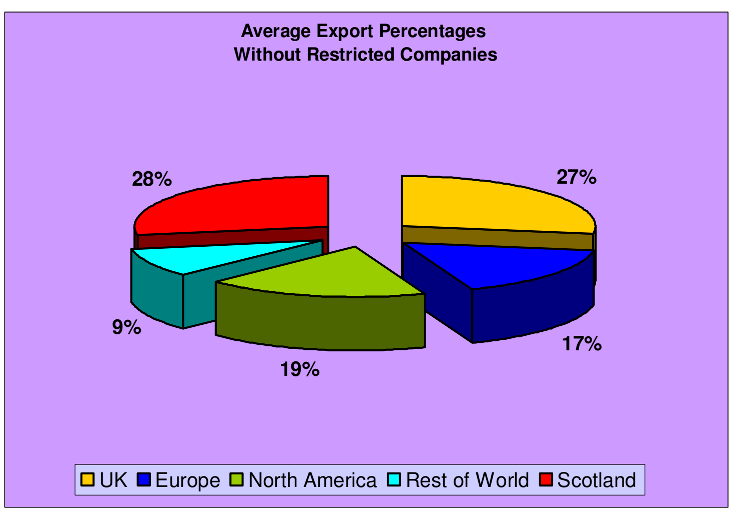
Figure 8.2 Average Percentage Exported



Again, the figures for Scotland are somewhat distorted by the three organisations restricted in their geographic area of operation.

Excluding those companies from the analysis reduces the amount of sales within Scotland to 28%, as shown in Figure 8.3 below.

Figure 8.3 Average Percentages Exported Without Restricted Organisations



Without the distortion of the restricted organisations, 27% of the companies' sales are exported to the rest of the UK, 19% to North America, 17% to Europe and 9% to the rest of the world. Scotland in this analysis accounts for 28% of sales.

Both these analyses show that the companies on the WoSSP are predominantly export driven as 72% of their sales are outside Scotland and around half of the sales are to countries outside the United Kingdom.

Given that three of the organisations are constrained by legislation to operate within Scottish markets, the level of displacement within the Scottish context is a maximum of 28%. That ignores, however, the leading-edge technologies in which the companies are involved and it is estimated that the true level of displacement within the Scottish market is considerably less.

WoSSP Event

9 PRIVATE SECTOR DEVELOPMENTS

At the time of the evaluation study there were two private-sector developments under construction on Kelvin Campus: one by Neilstra Ltd and the other by Speyroc Ltd.

[a] Neilstra Limited

Neilstra [including its subsidiary company, St Enoch Developments] is the largest single owner on WoSSP with 53% of floor-space on the Park.

The properties owned by Neilstra are shown in Table 9.1 below:

Table 9.1 Neilstra Investment

Property	Size Sq M	Investment	Rent Per Sq M
Kelvin Block 7	3,837	£850,000	£145.31
Kelvin Block 8	3,837	£30,000	£145.31
Todd Fleming House	11,352		£134.55
Todd Thomson House	25,864	£4,200,000	£134.55
Todd Telford House	11,352		£134.55
Kelvin Block 9	1,674	£2,500,000	£145.31
Todd Pantherix	2,883	£2,890,000[30]	£134.55
Grassum paid for lease		£75,000	
Totals	60,799	£10,545,000	

At the present time the former Pantherix building is vacant but the developer has a serious interest in taking the whole building. Block 9 on Kelvin Campus is under construction and due for completion in June 2004. The building will be held by the developer for lease and will be managed by them. The building is a standard office-type construction and at this time does not contain any specialised space such as clean room, laboratories, etc. It is proposed, however, to include a crèche facility in the ground floor of the building. The developer has already received enquiries from companies appropriate to the science park.

The company has no real difficulties on WoSSP other than with Colliers. Colliers have been sending service charge bills out very late and this has resulted in Neilstra being unable to recover service charge from Pantherix who went out of business in March this year as the bill did not arrive until October.

[30] Estimated cost based on cost per sq m of Fleming, Thomson and Telford buildings.

When asked if there was anything they would like to see on WoSSP that doesn't happen at the present time, Neilstra made two suggestions.

Neilstra's view is that the areas occupied by the halls of residence and the conference centre are not maintained to the same standard as the rest of the Park. They have suggested, therefore, that there may be scope for including the areas around Woolfson Hall and the Kelvin Conference Centre in the maintenance contract for the Park, with the University of Glasgow contributing to the service charge.

The other suggestion made is that the number of CCTV cameras be increased to cover present "blind spots. In particular, an additional two cameras are required on Todd Campus to cover the area to the rear of the buildings.

[b] Speyroc Limited

A second building is under construction at the present time by Glasgow-based developer, Speyroc Ltd who responded to a tender opportunity issued by SEG.

The building is being constructed alongside Block 6 on Kelvin Campus on the site of the former Block 5 – now demolished.

Table 9.2 Speyroc Ltd

Property	Size Sq M	Investment	Rent Per Sq M
Kelvin	1,302	£1,600,000	£145.31
Grassum paid for lease of land		£90,000	
Total		£1,690,000	

The building is being built speculatively and consists of two storeys of flexible office and research space. The accommodation was built to be divisible into four units of 326 sq m but can be sub-divided down to as small as 93 sq m. The building is being built to a sustainable standard which has been satisfactorily assessed by BRE. The building is due for completion at Easter 2004 and is currently on schedule. This is Speyroc's first development on a science park.

The building will be held by Speyroc for lease and the company has already received enquiries from companies appropriate to the Park. Speyroc will be looking for companies that have progressed beyond the incubator stage. The management of the building will be carried out by the developer.

The company has experienced no real difficulties with the development. The University of Glasgow had been slow to respond on the sub-lease, but found SEG very helpful and constructive at all stages.

Science Park Reception

10 PUBLIC/PRIVATE LEVERAGE

It has not been possible to obtain firm figures on the amount of public-sector investment that has gone into WoSSP. However, an attempt has been made to estimate historic cost for Phases 1 and 2.

Phase 1 consisted of Kelvin Blocks 1, 2 and 3, Todd Blocks 1, 2 and 3 as well as initial infrastructure and is estimated at c. £2,500,000.

Phase 2 consisted of Blocks 4, 5 and 6 and is estimated at c. £1,600,000.

Phase 3 consisted of infrastructure works including new roundabouts, grouting of mine workings and sewerage works, additional landscaping works, and installation of an optic fibre cable ring within the Park. Total cost £4,370,000.

Total public-sector investment is estimated at £8,470,000.

Total private-developer investment amounts to £12,235,000.

In addition to the figure of £12.24 million, there are two private-sector owner-occupied buildings on Todd Campus. An estimated cost of £3 million has been put against those buildings based on the cost of the Neilstra developments on Todd Campus, which averaged £997.28 per sq m.

That results in a total private-sector investment of £15,235,000[31]

The leverage ratio for public/private investment, therefore, has been calculated as:

Public		Private
1	:	1.79

As the costs of Phases 1 and 2 of the WoSSP are very much an estimate, care should be taken in drawing conclusions from these figures.

[31] Excludes any fit-out costs.

11 ECONOMIC APPRAISAL

The companies who took part in the survey provided information on the level of employment in their businesses together with a breakdown by gender and whether full-time or part-time. Also included in the analysis is information on salary and skill levels on WoSSP.

[a] Employment

Total employment identified during the study was **823**[32]. Figure 11.1 shows a comparison of employment per square metre among WoSSP, UKSPA[33] and low and high "standard" indicators[34].

Figure 11.1 Comparison of Employment per Sq M

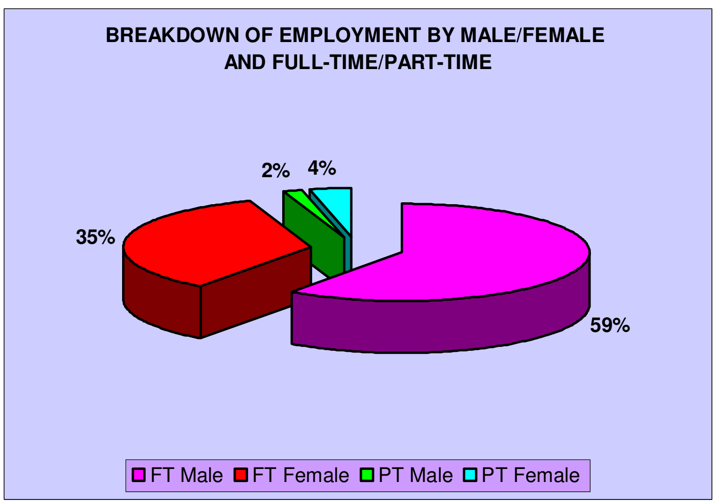
On WoSSP there is 1 job for every 31.7 sq m of accommodation compared with 1 job for every 25 sq m on the UKSPA member parks.

[32] This figure includes estimated employment figures provided by WoSSP Management for SCMG, Sherwood International, Thistle Research, Beat Systems and Vosper: all of whom did not take part in the survey. The employment figure also includes staff in the café and Walker Precision.
[33] UKSPA figures are taken from Annual Statistics 2003; an allowance should be made for a slight margin of error [not exceeding 1%].
[34] Low indicator 23 jobs per sq m; High indicator 33 jobs per sq m.

It could be seen from the analyses of market sectors [Section 6.2] and business activities in Section 4.6 that on WoSSP there are higher percentages of businesses involved in areas such as the bio-medical market and also involved in research and development/design and development activities compared with the UKSPA average. This would mean that a greater proportion of the floorspace will be occupied by laboratories, clean rooms and so on compared with the UKSPA members as a whole, where there is a greater concentration of computer-related, consultancy and support companies. One job per 32 sq m is believed, therefore, to be an excellent level of job creation on WoSSP.

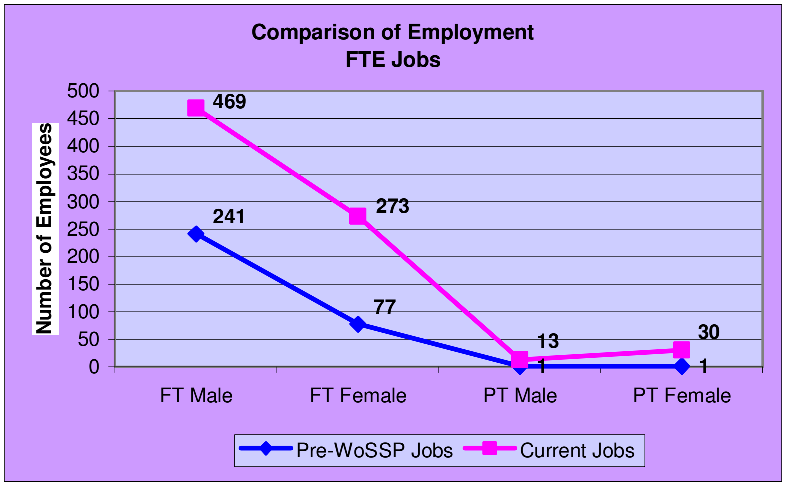
Figure 11.2 below shows the split of employment on WoSSP by male/female and by full-time/part-time. It can be seen that the single largest group is Full-Time Males at 59%, with Full-Time Females at 35%. There are almost twice as many men employed on the park as there are women in the full-time category. In the part-time category there are twice as many women as men.

Figure 11.2 Male/Female and Part-time/Full-time Employees



Employment had grown considerably in the respondent companies over the period of their occupation on the Park. Figure 11.3 below shows the growth in employment in the respondents.

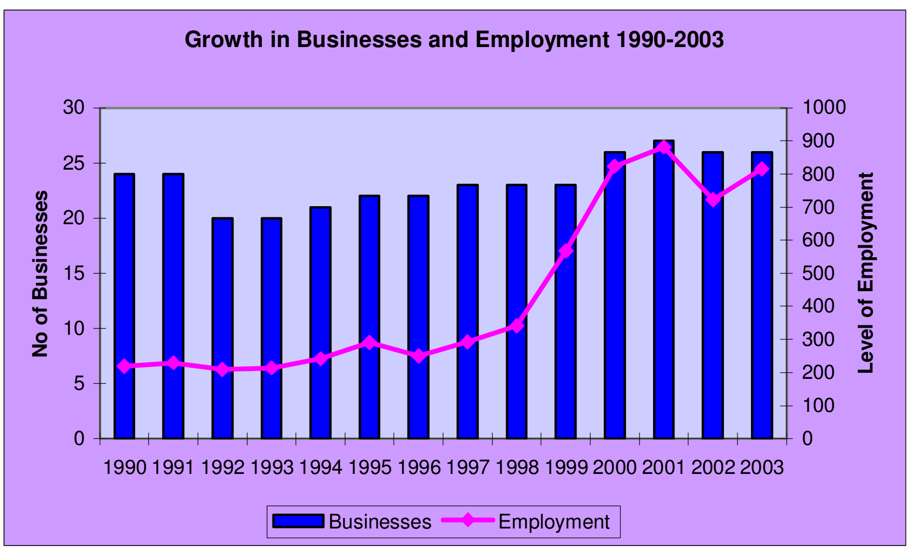
Figure 11.3 Growth in Employment [FTE Jobs]



The total employment figure for the WoSSP in 2002 was reported as 722, and that has now risen to 823: an increase of 14% in employment.

Figure 11.4 shows the growth of both companies and employment over the period 1990-2003.

Figure 11.4 Growth in Number of Businesses and Employment 1990-2003



It can be seen that there was a steady increase in employment level until 1998. Between 1998 and 2001 there was a more dramatic increase in employment - from 341 to 882 [an increase of 259%], followed by a drop back to 722 [212%], although the number of businesses increased by 4 [17.4%] then fell back to an increase of 3 [13%] over the same period. Over the period 2002/3 the number of companies has remained steady but employment increased by c.14%, which would indicate that the companies, in general terms, have experienced real growth over the past year: although one company, Pantherix, has experienced great difficulties with clinical trials resulting in difficulty in securing a further round of funding. Since speaking with the company, it has ceased trading.

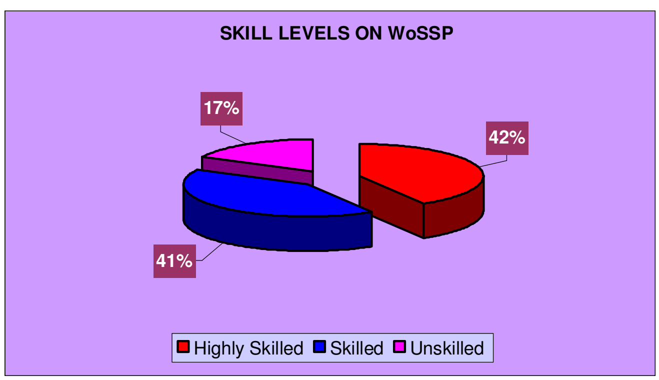
[b] Skills and Salary Levels

The skills levels on WoSSP, as could be expected given the nature of the businesses, are very high.

Forty-two percent of the jobs on WoSSP were classified as being highly-skilled. Highly-skilled was defined predominantly – but not exclusively – as those holding a second degree: there were instances where the company held the post to be highly-skilled, although the incumbent did not hold a second degree.

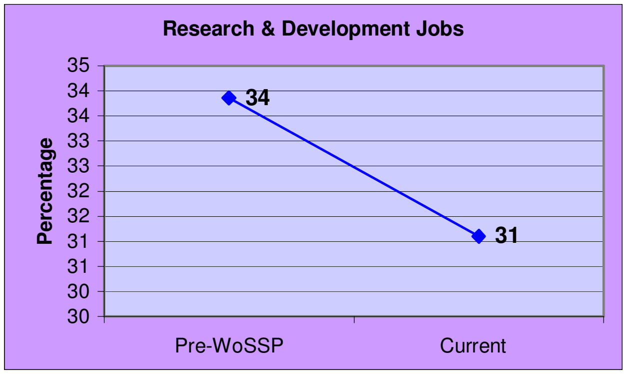
The results are shown in Figure 11.5 below.

Figure 11.5 Skill Levels on WoSSP



Seventeen percent of the jobs were classed as being unskilled, and 41% as skilled. Thirty-one percent of the jobs were designated as research and development posts.

Figure 11.6 Changes in R& D Jobs



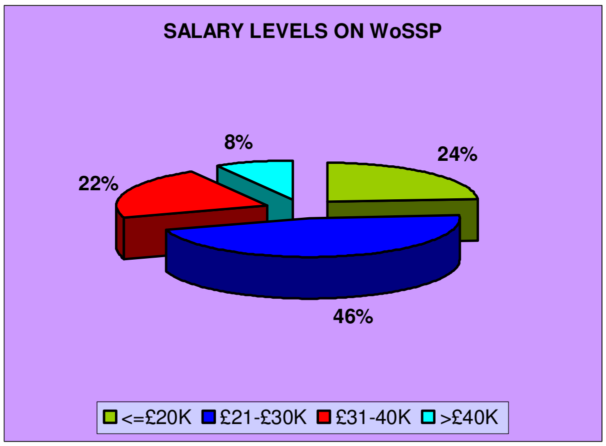
There is a drop in percentage terms of research and development jobs, although there is a rise in numbers [from 108 to 256]. The slight drop in percentage terms is believed to reflect the development of the companies themselves towards the production stage.

The quality of jobs accommodated on WoSSP are of a high quality in terms of both skill level and economic potential for the city, as research and development jobs can be expected to produce new product development, leading to increased sales turnover.

[c] Salary Levels on WoSSP

Forty-six percent of the salaries paid out on WoSSP fall in the range £21,000-£30,000, with 24% in the under £20,000 range. Eight percent receives in excess of £40,000 per annum.

Figure 11.7 Salary Bands on WoSSP



The salary levels were further analysed by Skill Level and the results are shown in Table 11.1 and Figure 11.8 below.

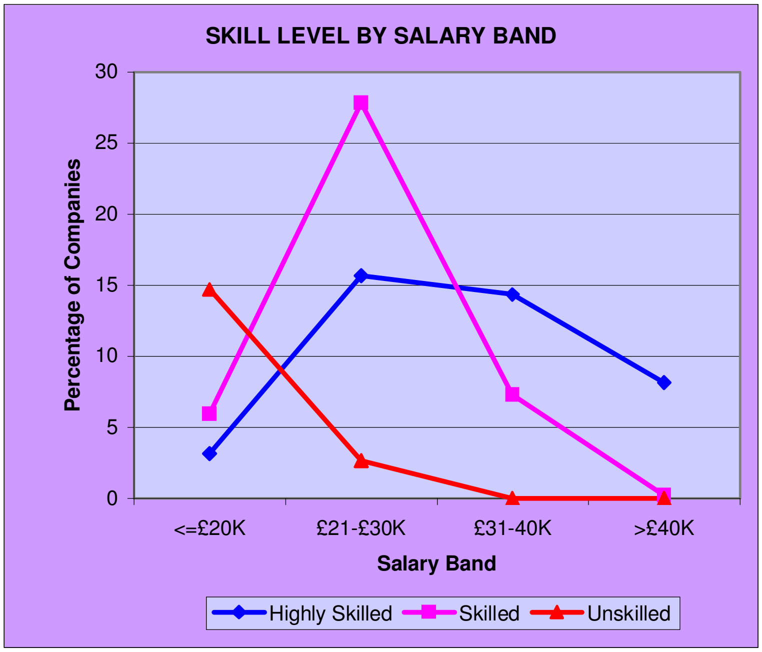
The largest group is skilled workers being paid between £21,000 and £30,000 followed by highly skilled workers in the same range.

Table 11.1 Salary Levels on WoSSP[35]

Skill Level	<=£20K	£21-£30K	£31-40K	>£40K
Highly Skilled	3	16	14	8
Skilled	6	28	7	0
Unskilled	15	3	0	0

[35] Expressed as percentage of total workforce on the Park.

Figure 11.8 Skill Level by Salary Band



Salary levels achieved at the WoSSP are compared with those for Glasgow, Scotland and Great Britain in Table 11.2 below.

Table 11.2 Comparison of Salary Levels

Area	All Occupations April 2002	Professional Occupations 2002
Glasgow[36]	£21,583	N/A
Scotland[37]	£22,204	£31,616
Great Britain[38]	£24,164	£32,848

Twenty-nine percent of the salaries at WoSSP are *above* the Scotland and GB averages for professional occupations and approximately *76% are equal* to or above the Glasgow, Scotland and GB averages for all occupations. *Twenty-four* percent of salaries on WoSSP are *below* the Glasgow, Scotland and GB averages.

[36] Scottish Executive, Glasgow City Economic Briefing [Updated 15 October 2003]
[37] Office for National Statistics, New Earnings Survey
[38] Ibid.

[d] Recruitment

The companies were asked a series of questions about recruitment – whether they had ever experienced difficulties, where they recruited from and whether WoSSP had had any impact on the recruitment process.

Eleven percent of the businesses had experienced difficulties in recruitment prior to locating on WoSSP. The difficulties experienced related to rapid growth within the companies themselves coupled with skill shortages in the labour market.

Since locating on WoSSP 50% of the companies said they had experienced difficulty in recruitment.

The main difficulties experienced seem to fall into three main categories:

- Difficulty in attracting people to move to Glasgow/Scotland from elsewhere in the UK;
- Difficulty in finding recruits with required specialist skills;
- Difficulty in recruiting people with business administration skills.

The full responses are shown below.

RECRUITMENT DIFFICULTIES EXPERIENCED ON WoSSP

Getting scientific middle managers who are normally in their late 30s to 40s. They don't want to leave SE England for the following reasons:

- **don't want to take children out of school**
- **don't know if their partners will move with them**

Recruiting high quality chemists from England up to Glasgow. Company is not a big company [not a Zeneca) and people want the stability of a big, well-established, well-known company before committing to such a move.

Difficulty getting good quality administrative staff. Did get a very good person who came from a big company but missed the social interaction she previously enjoyed. Also the Park was too remote from other facilities - there was nothing to do and nowhere to go

If **you can get people to Scotland -** ***then*** **environment is an advantage.**

Some people didn't want to transfer from East Kilbride.

Looking for high-calibre people who don't want high salaries.

Difficult to specialized skills required.

Business admin skills difficult to get

Specialist nature of skills.

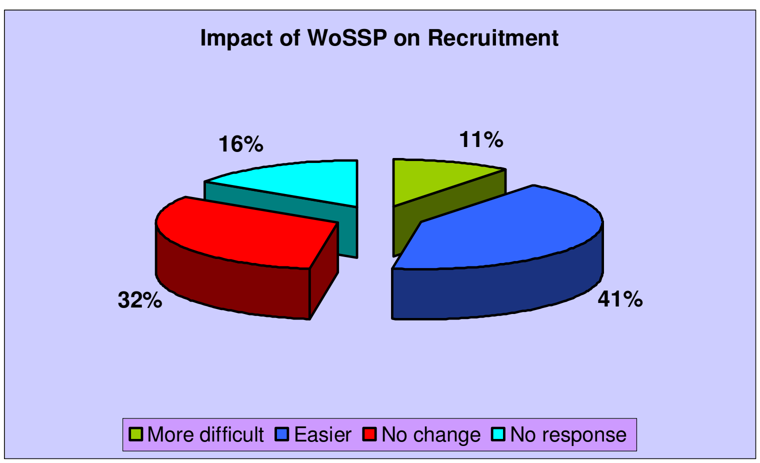
When asked whether being located on WoSSP had had an impact on recruitment, 41% of the companies said it had made it easier. That does not coincide with the increase in those experiencing difficulties.

The main reason for recruitment difficulties is lack of relevant skills in the local labour market. The companies have to recruit from other parts on the UK [and in one case from overseas] in order to secure the skills they require. If they were located in a lower quality environment and accommodation, their difficulties would become even more severe. Therefore, whilst the companies are experiencing more difficulties many still believe that the environment and image of the Park is a plus when recruiting.

Two companies said being on WoSSP made recruitment more difficult. One company had to attract staff from, primarily, the south of England and believed that Glasgow was seen as being too remote. The reason given, therefore, relates more to perceptions of the city rather than the WoSSP per se.

The second company cited access to the Park: it was difficult for staff to get to.

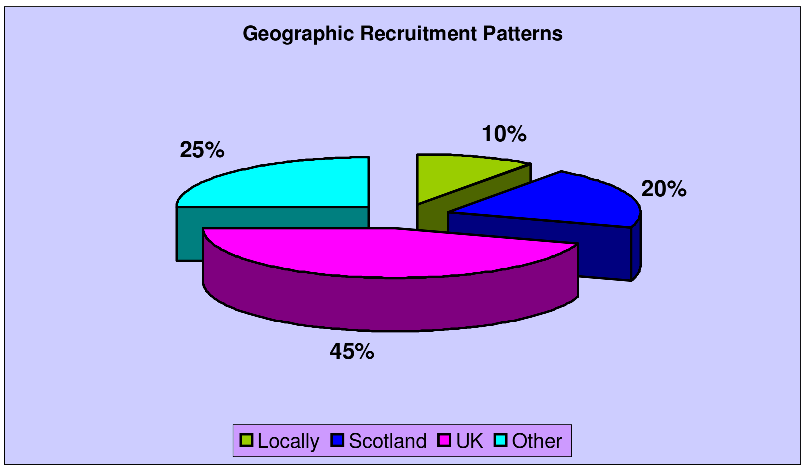
Figure 11.9 Impact of WoSSP on Recruitment



The companies were asked how widely they trawled for applicants when recruiting. The results are shown in Figure 11.10 below. It should be noted that the classifications are hierarchical, i.e. if someone recruits UK wide they also recruit locally and Scotland-wide. Other is any country outside the UK. Employees have been drawn from France, Germany and Australia.

Forty-five percent of the respondents recruited on a UK-wide basis, with 25% recruiting internationally. This is partly due to some of the companies choosing to recruit on a wide plane whilst in other cases it would seem to be due to the difficulties in locating the skills within Scotland.

Figure 11.10 Geographic Recruitment Patterns

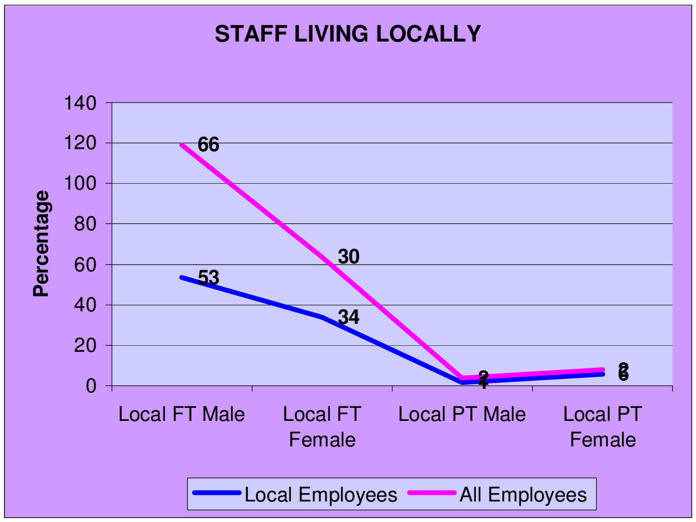


Sixty-seven percent of the employees in the respondent companies lived locally [Glasgow/Bearsden]: that included employees who had relocated from elsewhere.

Figure 11.11 gives the breakdown of locally-resident employees by gender and whether full- or part-time.

The pattern of local employment is, broadly, in line with the overall employment pattern. Approximately two-thirds of both male and female full-time staff lives locally.

Figure 11.11 Local Employment



[e] Contribution to Gross Domestic Product/Gross Value Added[39]

A further calculation has been carried out to assess the potential impact of the FTE jobs accommodated on the WoSSP on Gross Domestic Product [GDP].

Table 11.3 WoSSP Contribution to GDP

Indicator Used[40]	Per Capita	Contribution from WoSSP FTE Employment
Glasgow GVA[41]	£34,543	£28,428,889
Scotland GVA[42]	£37,320	£30,714,360
UK GVA[43]	£31,717	£26,103,091
UK GDP[44]	£17,632	£14,511,136

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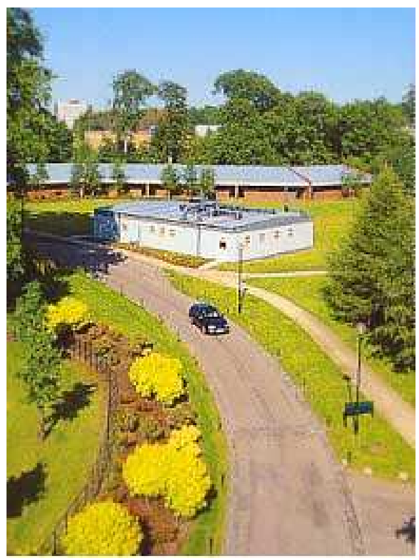
[39] GVA can be defined as "GVA + taxes on products – subsidies on products = GDP". GVA is used by ONS in order to bring UK Accounts [Blue Book] into line with EU system.
[40] Statistical information available does not provide a relevant category for the type of businesses on WoSSP, therefore, "all industries" indices have been used throughout.
[41] Derived from Glasgow Economic Monitor, Summer 2003, GCC/SE applying uplift of 2.5% to Glasgow 2000 figures.
[42] Ibid, applying uplift of 1.4% to Scotland 2000 figures.
[43] HM Treasury, United Kingdom Accounts, The Blue Book, 2003
[44] Ibid.

It can be seen that the West of Scotland Science Park is contributing somewhere between £14.5 million and £30.7 million per annum to the economy. In terms of Glasgow City, the Park contributes c. £28.5 million per annum.

The WoSSP represents around 0.14% of the total area of the City of Glasgow[45] and contributes around 0.30% of the annual GDP[46] of the city. The Park, therefore, would seem to be an economically efficient use of the land.



Todd Campus

[45] Around 16,494 ha – Glasgow City Council, Factsheet 8.
[46] Glasgow Economic Monitor, Summer 2003, GCC & SE.

12 OCCUPANCY EXPERIENCE OF WoSSP

For this section of the report, we have drawn on the results of the interviews with the 18 tenants, 1 new tenant, 2 developers, and the professionals involved in servicing the WoSSP. The questionnaire used in interviewing the tenants is at **Appendix 2**.

The section covers three broad groupings:

- Tenants' views
- Services/Management
- Accommodation, lease terms and conditions

[a] Tenants' views

Parts 6, 7 and 8 of the questionnaire asked tenants a series of questions about their experience of working on WoSSP and how they thought it contributed [or otherwise] to the success of their businesses. Part 9 invited them to make any comment that they felt they had not been able to bring out during the interview. The results are necessarily anecdotal and the full results are given in **Appendix 3.**

The tenants were given a statement regarding SEG's ethos for the Park and were asked to agree/disagree and/or make any comments they wished to.

Box 11.1
The ethos of the WoSSP is to provide a supportive location for the successful development of high technology projects through the provision of an environment, which:

- ***offers accommodation of a high standard built with high-tech companies in mind;***
- ***provides easy access to the technical, business and leisure facilities of the Universities of Glasgow, Strathclyde and Glasgow Caledonian;***
- ***offers easy access to the public-sector support services from the Scottish Enterprise Network.***

Fifteen of the tenants thought that had been achieved; four took the view that it had not been fully achieved.

Table 9.1 Did SEG achieve the ethos they aimed for?

Achieved Objective	Not Achieved Objective
78%	22%

[i] Achieved

Of the fourteen companies who said they thought SEG had achieved their objective, some thought that everything was just right and some thought there were some short-comings, particularly in relation to Kelvin Campus. One felt there was no sense of community and another suggested access to university libraries would be useful. One company thought “SE was good but the universities were poor”. There was a suggestion that the older buildings be continually upgraded, and one company felt that the agents had forgotten the ethos of the Park and that the companies’ needs are lost sight of.

[ii] Did Not Achieve

Of the four companies who said that the objective had not been achieved, two thought that the environment was good. Lack of sense of community, poor heating system and poor building design were cited, as was difficulty with SEG in sorting out an old GDA loan.

There was a general feeling of lack of contact by both the universities and SEG. One company felt generally let down by the property and was considering whether WoSSP was the right location.

[iii] What Aspects of WoSSP are Important to the Businesses?

The tenants were asked whether the physical environment played a role in their decision to locate on WoSSP and whether the accommodation, contact with the universities, the other companies on the Park and the services of SEG were important to them.

Table 12.2 Did Environment Attract Businesses and What is Important To Them?

Level of Importance	Environment	Accommodation	Universities	Other Companies	Services of SEG[47]
Attracted	90%	N/A	N/A	N/A	N/A
Very Important	N/A	68%	33%	17%	50%
Important	N/A	17%	18%	16%	12%
Slight importance	N/A	11%	16%	33%	21%
No Importance	N/A	5%	33%	34%	17%

Ninety percent of the businesses said that the physical environment of the Park played a role in their decision to locate on WoSSP. Once on the Park, the most important aspects were the quality of their accommodation [68%] and the services of SEG [including Targeting Innovation] [50%],

[47] Targeting Innovation is included with SEG.

[iv] Types of Contact with Universities and SE Network

The businesses were asked what type of contact they had with the universities and also which parts of the SE network they dealt with. The results are in Tables 12.3 to 12.5 below.

Table 12.3 Contact with Universities[48]

Technical	Business	Leisure/Sports
57%	44%	12%

The businesses were asked to say how frequently they had contact with the universities.

Table 12.4 Frequency of Contact[49]

Daily	Weekly	Monthly	Less Frequently	Never
11%	28%	12%	28%	22%

Just over half the businesses had contact at least one a month with a university, 28% had occasional contact and only 22% had no contact at all.

Table 12.5 Contact with SE Network[50]

SE National	SE Glasgow	Targeting Innovation	Small Business Gateway
51%	56%	61%	0

It is clear that there is a reasonable level of contact between the businesses and the universities and SE network. The highest level of contact is with Targeting Innovation, followed by SE Glasgow, and contact with the universities on technical issues. No one had had contact with the Small Business Gateway.

There is some scope for improving contact, but it should be noted that the levels of contact with the universities is above the UKSPA average, where 50% of companies said contact with universities was of no interest and just over 60% said that management or business advice was of no interest to them.

[48] As this was a multiple response question, the percentages exceed 100%.
[49] Any differences are due to rounding.
[50] As this was a multiple response question, the percentages exceed 100%.

The businesses were also asked if they were satisfied with the services provided by the SE network.

Table 12.6 Level of Satisfaction with SE Network

Dissatisfied	Satisfied	Very Satisfied
17%	34%	38%

Eleven percent of the companies had not used the services of SE.

Box 12.1 Dissatisfaction

The companies who were dissatisfied provided the following comments:

- **SE's heart is in the right place – but the execution is awful. Contacts: Scottish Development International, Biotechnology Group, SEG Training Grants.**
- **Dissatisfied with everything other than Charles Scott [Targeting Innovation]. Would like to see, what the company described as, a marketing database that would help Scottish companies contact each other. Company recognised difficulties of data protection issues.**
- **Dissatisfied with SE National, satisfied with Targeting Innovation.**

It can be seen that even within those companies who said they were dissatisfied overall, two of them were satisfied with the services of Targeting Innovation [although one did specify an individual].

Box 12.2 Satisfied

Of the companies who said they were satisfied with the services, only two provided comments:

- **Satisfied with SE network services relating to biotech matters. Not at all happy with the property management side. Company now will only deal with a named individual who has to bring all other relevant people to the table. Company believes it has agreed on thing with SE then finds that the agreement has been changed by some other person along the line.**

- **The person you deal with is more important than the service. Company deals with SDI and finds some individuals more helpful and constructive than others.**

Once again there is a level of qualification: satisfied with some parts/individuals and not with others.

The number of comments decreased in line with the level of satisfaction.

Box 12.3 Very Satisfied

Only one company commented by providing a "ranking" of the usefulness to the company of the various parts of the network.

1. **Scottish Enterprise Glasgow**
2. **Scottish Enterprise National**
3. **Targeting Innovation**

The level of satisfaction with the services of the SE Network was good overall with 38% saying very satisfied and 34% saying they were satisfied. One of the main causes of dissatisfaction seemed to be the number of people the companies had to deal with and a certain lack of continuity of personality involved. There seemed to be a higher level of satisfaction with Targeting Innovation and SE Glasgow than with SE National and that may be due to the relative sizes of the organizations.

There would seem to be some room for improvement perhaps by having an "account manager" for each of the businesses, who would maintain regular contact and arrange and attend meetings with other parts of the network. Overall, there was no major area of serious concern.

The level of contact among the companies was lower than with the universities, although only one company did not have any contact with the others.

Table 12.7 Frequency of Contact with Other Companies on Park

Daily	Weekly	Monthly	Less Frequently	Never
5%	11%	17%	61%	5%

Some of the companies were interested in meeting others and one suggested a lunch-time programme of one or two companies at a time explaining to the others what they did. Programmes such as that tend to work only if senior representatives of the companies take part and it is not a "duty" delegated to the most junior person available.

[b] Park Services

The businesses were asked if they were aware of the range of services offered on the Park, how often they used them, and how they rated them. The results are in Table 12.8 below.

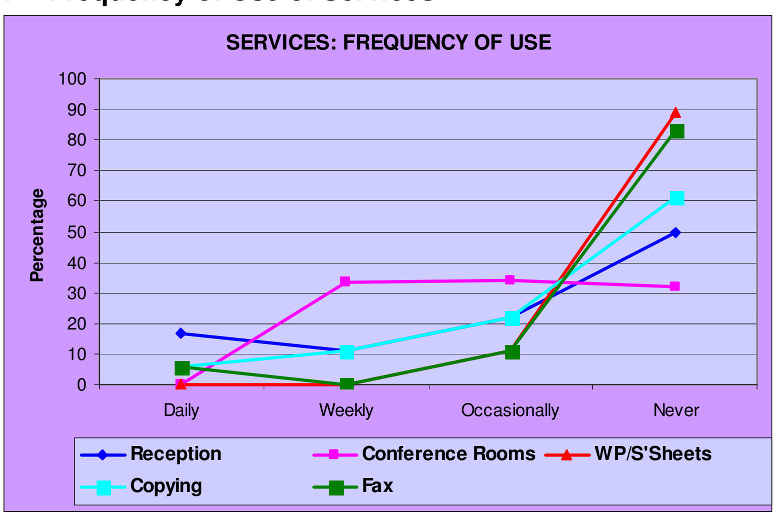
Table 12.8 Usage and Rating of Services

Service	Aware	Don't Use	Rating from Those Who Use Service			
			Very Good	Good	Satisfactory	Poor
Reception Duties	**94%**	**64%**	64%	37%	0	0
Conference Rooms	**100%**	**56%**	50%	33%	8.3%	8.3%
Word Processing/ Spreadsheets	**61%**	**89%**	100%	0	0	0
Photocopying	**78%**	**56%**	38%	22%	13%	0
Fax Service	**78%**	**78%**	50%	50%	0	0

Of the businesses based on Todd Campus, none used word processing facilities, photocopying or fax facilities; one company used reception occasionally; one used conference facilities weekly and one used them occasionally. The bulk of the usage, therefore, as could be anticipated comes from Kelvin Campus and the smaller companies. The rate of usage was lower than for the UKSPA Parks, where only 36% of businesses did not use Office Services at all.

The businesses were asked how frequently they used the services and the results are given in Figure 12.1 below.

Figure 12.1 Frequency of Use of Services



The conference facilities and reception are the most frequently used services, followed by occasional use of the photocopying facility. As shown in Table 12.8 above, the vast majority of the service users rated them very good or good.

The hours of service provision at WoSSP currently are 0900 – 1700 Monday to Friday: the businesses were asked if they thought those hours were adequate.

The businesses were offered the opportunity to make any comments they wished about the service provision. Their comments are shown below.

Box 12.4

- **Having the services available was very attractive when the business was in the early stages.**
- **Nicolle is very helpful with meeting arrangements.**
- **One good conference room, the others very poor [4 companies]. In particular lack of windows and old furniture.**
- **Conference rooms becoming congested – difficult to book.**
- **Café is a good addition to the Park [2 companies]**
- **Being close to the conference centre is a plus.**

The businesses were asked also if there were any services not provided that they would like to see being put in place.

Box 12.5

- **OCS [contract cleaners] won't respond to individual businesses would be good to be able to use them on the terms negotiated by SEG.**
- **Maurice and Nicolle busy fire-fighting the problems of buildings, which are 20 years old. Maurice is part-time and no one fills in for Nicolle when on holiday. Maurice and Nicolle often have to refer issues back to other people in Colliers or SE. No on-site decision-making. Would like on-site decision-makers.**
- **Extended security, particularly a service responsible for locking up at night and opening up in the morning.**
- **Services that could be provided for a charge such as dry cleaning.**
- **More promotional work through web site. Would like to see more from the web site – could be used for "good news" stories about companies or for company sales pitches. Would be a way to provide PR to companies through SE Glasgow.**
- **Ability to arrange catering when booking conference facilities.**
- **Broadband.**
- **Access to universities' databases.**
- **Video-conferencing facilities**
- **ATM**
- **Crèche facilities**
- **More meeting rooms.**

[c] What Would the Businesses Change on WoSSP?

The aspects of the Park that the tenants would wish to change were wide-ranging. Fifteen of the tenants wished something to be changed and four did not.

Box 12.6 Management:

- Focus on wrong things.
- Don't listen to tenants.
- Need to focus on facilities management issues such as leaking taps, cleaning up dog dirt, and other matters reported by tenants,
- Get rid of Colliers – they confuse matters and are inefficient.
- Need a rolling plan to replace outdated facilities.
- Businesses have difficulty in expanding – slow decision-making by management.
- Management likes small start-up companies going through a bad time so that they can try to fix things.
- SE wants to deal with university spin-outs and academics: less comfortable with companies passed those stages that don't need those sorts of services.

Box 12.7 Traffic Management:

- Remove one-way system in Kelvin.
- Signs are facing wrong way when going round the one-way system.
- Enforce rules on parking and speed limit of 15 mph.
- Put up bike stands – company waiting eight months for this facility.
- Improve parking [3 companies].

Box 12.8 Security:

- Get rid of kids playing golf.
- Check security cameras on regular basis.
- Security generally is an on-going issue.

Box 12.9 General:

- Ban bagpipes.
- Easier access to Kelvin Conference facilities.
- Active promotion through web site.
- Don't allow coffee/social space in Block 6 to be used for meetings.
- Park is restricted to science-based companies – other types of companies might lead to more interaction/relationships, for example computer/support companies as contractors.

One company did not want to change anything. This company commented that the Park had been improving since they had been there and they mentioned, in particular, the CCTV, which they thought was good.

There was general dissatisfaction with the management services on the Park. Most of the companies were very positive about Maurice and Nicolle, but there was a high level of dissatisfaction with Colliers. Any comments attaching to the Science Park team were because of part-time working, no holiday or absence cover and lack of decision-making powers.

Implicit in a lot of what the companies said was the need for an on-site “handy-man”. It was not expressed as such, more in terms of the difficulties and length of time required to get a small matter attended to.

Although not on the list of formal interviewees, the question was put also to the reception staff, who commented as follows:

[d] Facilities Management

The companies were asked whether they were aware of certain facilities management duties carried out on the Park and how they rated them.

Table 12.9 Facilities Management Duties

Duty	Aware	Very Good	Good	Satisfactory	Poor	Don’t Know
Tenants’ Enquiries	**100%**	45%	33%	11%	5%	5%
Collection of rent[51]	**100%**	0%	50%	11%	34%	5%
Collection of other Payments	**56%**	0%	22%	5%	23%	50%
Processing Tenant Applications	**78%**	5%	11%	22”	22%	33%
Tenant Supervision	**83%**	0%	11%	33%	22%	33%
Service Contracts[52]	**94%**	22%	44%	11%	22%	5%
Compliance with Legislation	**56%**	0%	22%	28%	0%	50%

[51] Most of the companies responded to this although not all pay rent.
[52] Security, Cleaning, Landscape Maintenance.

Those who rated a function "poor" or "satisfactory" were further analysed by "ownership". The results are given in Table 12.10 below.

Table 12.10 Ownership of Those Rated Poor or Satisfactory

Duty	Satisfactory		Poor	
	SEG	Neilstra	SEG	Neilstra
Tenants' Enquiries	**50%**	50%	**100%**	0%
Collection of rent[53]	**100%**	0%	**100%**	0%
Collection of other Payments	**100%**	0%	**100%**	0%
Processing Tenant Applications	**75%**	25%	**100%**	0%
Tenant Supervision	**67%**	33%	**100%**	0%
Service Contracts[54]	**100%**	0%	**100%**	0%
Compliance with Legislation	**50%**	50%	**0%**	0%

It can be seen that the majority of those saying functions were satisfactory were tenants of SEG and all of those rating a function poor were also SEG tenants.

[53] Most of the companies responded to this although not all pay rent.
[54] Security. Cleaning, Landscape Maintenance.

The reasons given for those levels of dissatisfaction are given in Box 12.10 below.

Box 12.10 Facilities Management Comments

- **On Park for three years and still don't have a lease – no response from Colliers. Todd Campus is better because business deals direct with developer.**
- **Unhappy with Colliers – they don't respond to enquiries; don't supply information and documents on time and in a state they can be signed.**
- **Company still doesn't know level of service charge. They get no response from Colliers.**
- **Service charge for Block 6, Kelvin Campus higher than the rest of the Park**
- **Notification/collection of rents very poor. Colliers inflexible. Company has no lease.**
- **Colliers have inflexible invoicing system and notification of service charge. It is important that they get prices right.**
- **Park ethos of companies working and sharing has been lost by the property management company.**
- **Colliers' idea of dilapidations was "a joke" when the company moved from one part of the Park to another.**
- **Dilapidations are poorly done and often carried out after the tenant moves in: unwanted items left by previous tenant are not cleared out.**
- **Building maintenance by Neilstra is poor.**

The businesses were asked if the service providers ever sought their views: the results are in Table 12.11 below. The companies were also asked if they would like to see regular meetings where their views were sought.

Table 12.11 Do Service Provides Seek Companies' Views

Frequently	Occasionally	Never	Regular Meeting
44%	28%	28%	5%

All of those who said that there views were sought frequently referred specifically to the on-site management rather than the managing agents.

As mentioned above, there is a general level of dissatisfaction with the managing agents. The most frequently mentioned complaints were that they did not respond to any communications from the tenants, and were very slow at dealing with issues once they were raised, including provision of lease.

[e] Lease Terms and Conditions

The businesses were asked for their views on their lease terms and conditions: length, rental level, service charge level and restrictions. It should be noted that this section is not relevant to all of the companies as three[55] are owner-occupiers.

Table 12.12 Lease Terms and Conditions

Lease Length Required[56]			Rental Level Reasonable			Service Charge Reasonable		
Yes	Longer	Shorter	Yes[57]	Too High	Satisfactory	Yes	Too high	Satisfactory
14	0	1	9	7	0	9	8	0

Base=15-17

It can be seen from these figures that there is a high level of satisfaction with the lease length, with 81% satisfied with lease length. On the rental level 50% thought the rental level was reasonable, and 44% thought it too high [one company did not respond]. On the level of service charge there was more dissatisfaction with 56% saying it was too high and 44% saying it was reasonable. Most of the dissatisfaction with the service charge was due to the difference between the charge paid by tenants of Block 6, Kelvin Campus and the rest of the Park. Those companies based in Block 6 pay a service charge of £43.05 per sq m compared with £26.91 per sq m paid by all other companies. The service charge rate is set by Colliers who say the difference is due to the availability of the meeting rooms. Those rooms, however, are available to all companies on the Park. The tenants concerned are of the view that Colliers have not provided an adequate explanation for the higher level of service charge.

As can be seen from Section 5.3 [Displacement], the rental levels on WoSSP are in the lower- to mid-price range when compared with other science parks. When compared with other business parks, the rental level is again in the lower- to mid-price bracket. The information available on service charge levels is not comprehensive and care should be taken in drawing conclusions, but there are indications that the WoSSP service charge is not in any way excessive.

It would seem that both the rental and service charge levels on WoSSP are reasonable. The tenants' views on service charge may be coloured by their perceptions of the level of service they receive.

[55] One company is both tenant and owner-occupier.
[56] Two tenants – in addition to the two owner-occupiers - did not answer this question as they did not know the initial lease requirement.
[57] One tenant did not answer this.

The companies were asked if any conditions in their leases restricted the company in any way. Two companies were of the opinion that more flexibility in lease terms would be beneficial to them. One company is located in two buildings at the present time and feels that had the landlord [Neilstra] been more flexible they could have avoided that situation. The second company [also a Neilstra tenant] is of the view that there is not enough consideration given to the needs of individual companies, and is of the opinion that if the company is successful it will be forced to move.

One of the owner-occupiers, who had been a tenant at an earlier stage in the company's development, suggested that an alternative arrangement could be offered to young businesses, perhaps a mixture of leasing/heritable property arrangement such as co-ownership, allowing company to increase their ownership share gradually over time.

Another company did not have a particular comment to make about lease restrictions but was very anxious to make their views known on the overall management situation. The company's comments are given below in full.

> *"Colliers are not interested in tenants – they are inflexible and very commercially focussed. They don't buy into SEG's 'supportive location for the successful development of high-tech projects' ethos. Difficulties are created for tenants who have to deal with the SE network on business/science matters and Colliers who deal with property matters: there is a lack of, or breakdown in, the communication loop. Our company is unwilling to take out a lease just now with the property situation as it is[58]."*

Colliers were interviewed as part of the evaluation process and their comments are included in the next section.

The companies were asked if they could always gain access to their premises whenever required. All of the companies said they had no problems in accessing their premises. One company mentioned that it was a bit eerie when working late at night and perhaps the lighting could be better. Overall the companies were very satisfied with access.

[58] This company would seem to have some issues relating to the accommodation it really wants and whether it wants to be in Scotland at all.

[f] Security

Seven of the companies said that security provision had been a factor in their deciding to locate on WoSSP.

Fourteen of the companies [78%] thought that the security was adequate. There were several comments from the companies both positive and negative. The companies' comments are given in Boxes 12.11 and 12.12 below.

Box 12.11 Positive Feedback

- **Recently installed CCTV is a major improvement – vandalism has been reduced.**
- **CCTV has improved security – now adequate. This company mentioned that they had installed their own digital system which can be dialed into from home and company representative can get security patrol to reset alarms and e-mail video footage to the police.**
- **New company seems good but more patrols needed. Probably still a bit light - still some difficulties.**
- **Security now adequate with additional CCTV. No problems over past year due to increased surveillance and more businesses on Park. Company had been concerned that the Park would not provide sufficient security.**
- **Security is important to company and was checked out by MoD prior to tenancy. MoD was satisfied with level of security.**

Box 12.12 Negative Feedback

- Vandalism and security are a problem. Company installed its own CCTV and despite having footage, police can't do anything. Company thinking of getting its own security group as there is never any security presence seen on the Park. One company called security group whilst watching vandalism being carried out and were asked by the group what the caller expected them to do.
- Company asked for a gate to be put on Todd Campus entrance that could be closed at night. Park management said they couldn't do it – something to do with social inclusion. Young people doing the vandalism come from nearby high rise flats and see the park as in their area but not part of their environment. None of their families or friends is ever likely to get jobs on the Park so they feel no ownership.
- Company came from Clydebank and had fewer problems there than they do on WoSSP. Company hadn't realised security would such an issue when they moved to the Park.
- Cars are broken into now and again. Vandals putting bricks through windows in the evenings. Need to increase security during school holidays when vandalism is at its worst. More CCTV cameras needed. Respondent wasn't aware that CCTV had been installed.
- More need in terms of secure building design. Shutters required at rear of building.
- Area is too accessible to the public. Company experiences frequent broken windows.
- Alarms go off and the wrong person is contacted by the security patrol.

It should be noted that the first three comments in Box 12.12 were all provided by one company.

There does seem to be an issue of vandalism on the Park during the evenings and school holidays. There was a general feeling that the CCTV had improved the situation overall but also a [lesser] feeling that both the police and the security patrol did not act upon information provided.

Security is, of course, an issue for everyone at both home and work and not just for the WoSSP, but there may be room for some improvement in building design by fitting additional shutters, and perhaps in perception by making patrols more visible.

[g] Overall Impressions

Finally, the tenants were asked if there was anything they wished to say about life on WoSSP that hadn't been brought out in the interview or they wished to emphasise or expand on.

Only four companies did not wish to add anything to their responses. The remaining fourteen provided a mixture of comment and suggestions and it is worthwhile reporting their comments in some detail.

Box 12.13 Comments

- **The Park is a good place to work. No problems at all. Support received is more than acceptable – would be content with less. SE network very responsive, work hard for the company and are pro-active with opportunities.**
- **Standard of the Park has been good for the company. It's close to airport and the motorway. It has a nice environment which visitors comment on. Parking is good.**
- **Restaurant has been very good for both staff and clients. Catering for meetings is good, overall provides good quality food. Respondent was worried, however, that it may not be getting sufficient business to keep going. Catering in the conference centre also was good.**
- **Nicolle and Maurice are very helpful and go out of their way to help. They do a lot to create a community through events organised by Nicolle.**
- **Glasgow's best kept secret!**
- **Availability of expansion space was important to company. Developers like Neilstra have added to the diversity of the Park. Good mix of properties. SE helped with fit-out of interim facility and put in generic clean room.**

Box 12.13 continued

- **In general, the Park is very good and runs very smoothly.**
- **Company looking to stay on the Park long-term as long as it is economical to do so. People don't recognise the Park or know the University owns the land. Café is good.**
- **Security and image are good and are important to company.**

It can be seen from these comments that there is a large degree of satisfaction among the companies with their day-to-day life on the West of Scotland Science Park.

The suggestions contained in Box 12.14 below were, on the whole, offered in a positive manner as issues that, if addressed, would improve the overall attractiveness of WoSSP

Box 12.14 Suggestions

- **Need to re-think the one-way system: signs are now facing away from visitors as they travel in to the Park.**
- **Need to move from the Park because of moving to large-scale manufacturing and couldn't find a site in Glasgow as suitable or attractive as one in Inchinnan.**
- **Wish something could be done about Glasgow City Council rates – they are almost penal to small businesses – can SE do anything?**
- **Environment: It would be good if grass cutting could be stopped in some areas in order to increase natural habitats. Company would be willing to help with advice.**
- **More flexible working practices required from Colliers. Would like closer connection with SE network and, to be actively promoted by the Park would be an added bonus.**
- **Would be good to have more services like the café on the Park [mentioned dry cleaning, development of photographs].**
- **Parking needs to be improved.**
- **Park management should be about managing companies rather than property. On-line access to university libraries would be good. There could be better synergy among companies and back-up services such as solicitors and graphics companies could be based on the Park.**

[h] CRE Colliers

CRE Colliers [Colliers] is employed by SE National to provide a property management service to all of its properties throughout Scotland. The WoSSP has been included in the contract.

[i] Duties

The service provided by Colliers to the Park includes:

- Landscape maintenance
- Road maintenance/gritting [where unadopted]
- Lighting
- Health & Safety Issues
- Security[59]
- Janitorial items
- Cleaning
- Collection of Service Charge[60]
- Rent Collection[61]

In carrying out those services, the Colliers representative has ad hoc contact with the tenants on a [approximately] monthly basis.

Colliers were asked if the tenants ever asked for any services that they were unable to provide but they were not aware of any.

[ii] Management Issues

The comment was made that [for shopping centres, where the respondent's background lay] a Centre Manager was usually on-site and full-time and responsible for the day-to-day running of the centre including control of costs. The Colliers' representative felt that Maurice, to a degree, undertook that role but is mainly concerned with fit-outs for new tenants. Also the fact that he is part-time and carries out other functions for SE meant that the extent to which Colliers could call on his time was not clear.

[59] Avant Guard [security company on Park] reports to Colliers who is their first point of contact.
[60] Colliers invoices Neilstra for share of service charge. Neilstra passes on service charge to companies, together with approximately an additional £5.38 psm for grass cutting, etc carried out by Neilstra.
[61] From SEG tenants only.

Colliers' view was that a full-time Park Manager could take on a wider remit – looking after budgets and the overall running of the Park. It was mentioned that Nicolle was currently undertaking a property management qualification and, in a few years' time when qualified, could take on such a role.

[iii] Difficulties

Colliers' occasionally encountered difficulties in collecting rents and service charges, usually when someone was in arrears due to company being in financial difficulty. Occasionally rent was withheld because a tenant felt the property was unsatisfactory: generally such issues were resolved without SE involvement. QCMD was cited as a particular example in that they claimed promised items of fit-out had not been provided. This was resolved by SEG and Colliers. Colliers commented that SEG wished, or needed, to have QCMD on the Park so were willing to "bend over backwards and bend the rules".

The collection of charges for services provided by Park Reception was undertaken by Colliers and no difficulties had been experienced.

In the opinion of Colliers the issue which caused most reaction amongst the companies on the Park was security, particularly for those on Todd Campus. Rent and service charge increases are potential areas of concern. A recent three-year review resulting in an increase of 33% caused the tenants to complain that the increase was excessive. In Colliers' view the rise was in line with market value. It was Colliers opinion that the rents and service charge levels were reasonable for the type of accommodation provided in Glasgow and Scotland.

When asked if they experienced any difficulties due to there being different parties involved in the Park, Colliers felt that there was a clash of objectives between SE National and SE Glasgow. SE National had allowed SE Glasgow to take on more control of the Park which has made things easier over the past 2/3 years. There is, however, potential for problems with too many cooks each with slightly different objectives. SE National's Competitive Places team is under pressure to be commercial while SE Glasgow's objective is to support and grow high-tech companies.

[iv] Communication

The tenants normally contact either Maurice Dillon or Simon Parsons if they want assistance with anything from SEG. In general the tenants have no difficulties in knowing who to contact and how to make contact.

Maurice has more contact with the companies because he is on-site and is seen as SEG's "face on the Park". Colliers said that is good as there is no need to confuse tenants with a list of different people to see for different things – as long as someone subsequently deals with the matter.

[v] General Comment

In terms of tying up leases, Colliers felt that there had been a tendency on the Park to allow companies to move in before signing a lease. Things had improved but in Colliers' view it is better to get the lease signed first.

"Bending over backwards" sometimes goes too far. The company moves into the unit saying "that and that are wrong – fix it". It should be Colliers/SEG in control saying "this is the unit and we'll do x and y for you".

Colliers believe that there is no need to hold companies' hands for too long. They have to learn to "stand on their own two feet" and get experience of the big bad world.

[j] SEG Management

Maurice Dillon and Nicolle McKibben provide the "SEG services" on the Park. The duties/services provided by them are detailed below, together with Maurice's and Nicolle's own comments.

[i] Duties

The services provided by SEG Management included:

- Reception for companies in Block 6;
- Admin support for all companies on the Park;
- Fax, photocopying and franking machine for Block 6 and smaller companies from Kelvin Campus;
- Provision of conference rooms for all companies on the Park;
- Co-ordination and management of tenants' events ;
- Work with Colliers to deal with maintenance of Park;
- Preparation of monthly invoices for charges for photocopying, faxing, and franking - goes to Colliers for issuing;
- Dealing with companies' day-to-day requirements;
- Dealing with new companies on Park, handling fit-outs, etc.

[ii] Usage of Services

It is the view of service providers that all of the services are relevant and mostly used by the companies.

Meeting Rooms: These area a bit taken for granted by companies; if Nicolle is not there to look after them they get very messy. Companies do not tidy up after them. The Park doesn't have tea/coffee machines for companies to use when Nicole is not available or too busy to provide refreshments. Companies can use the kitchen themselves if they want. Tea/coffee service is charged through the Reception charges. There is a demand from the larger companies for a video-conferencing facility to be available in the meeting rooms and that is borne out by companies' comments.

Reception: This is the first point of contact – not only for visitors but for the companies themselves. On the whole it works smoothly, but Nicole can't always answer questions and has to refer them to Colliers. Companies sometimes get irritated and feel they are more likely to get an answer via Nicolle.

Provision of basic word processing and spreadsheets: are not used so much, but should still be available for those companies who do have a need for them.

Photocopying, faxing and mail franking: All of these are well used on a daily basis - especially franking machine. Photocopying, faxing and franking facilities are available 24/7 because all companies on both campuses have access with a fob key.

Maintenance: It is believed that there should be more focus on maintenance and that there is a full-time job for someone who could be on hand at once to fix small maintenance problems. The Park is now nearly 20 years old and there is constant demand for problems with water heaters, gutters, light bulbs, and so on.

Hours of Service: Hours of service seem to be acceptable: this is borne out by the responses of the companies.

One of the most used services on the Park is the mail franking service.

[iii] Seeking Companies Views on Services

A survey was carried out once but normally feedback is elicited informally and via the web site.

There are web pages for news, which are updated regularly; there is also a tenants' news page. There is a discussion page on the web site but this is not very well used. One of the companies was very keen on being promoted on the web site and being able to put in company news. There may be scope here for involving the tenant in promoting the use of the tenants' news page and discussion page.

Service charges for Block 6 companies are considerably higher and need to be reviewed. Companies in Block 6 pay for 24-hour heating and lighting of common areas over and above paying directly for their own units. The only service they have that the other companies don't have is reception: all of the services are available to all other companies even if they do not use any or all of them.

Within Block 6 one company is annoyed by the difference.

[iv] Security

CCTV is monitored by Glasgow University.

A Glasgow University security company patrols the halls of residence on Kelvin. Over and above this, the SE Glasgow company, Avant Guard, patrols both campuses once every hour between 6 pm and 6 am and are based in the Coherent Building on Todd Campus.

There have been problems with vandalism. CCTV has improved the situation. In the last four years only one company has been broken into. At that time a general e-mail was sent to all companies notifying them of the situation.

Lighting on Todd is OK. Kelvin could have better lighting – especially with all the trees around – and it needs to be upgraded. On Kelvin, as light bulbs go out they are being replaced gradually with brighter, stronger bulbs. It would be expensive to replace them all at once.

[v] The Park

The Park is old but it still serves its purpose. The parkland environment is good and attracts new tenants.

The introduction of the café (open from 8.30 am till 4.30 pm) was a facility which was really needed because there is nothing local you could walk to. Companies appreciate it and use it well. Companies find the food good and can use it for meetings. The café can also provide catering for meetings with a dish drop delivery. As far as is known the café owners are happy. The people in the halls of residence can use the café too – students during term time and guests during the holiday periods.

[vi] General Comment

The relationship between Nicolle and Maurice is good – they get on well and try to provide a friendly working environment for their clients.

The feedback from the companies on events such as the Summer B-B-Q, quiz nights and the Christmas party was very positive. Companies seemed to enjoy these. There were also “Meet your Neighbours” networking events, when a company or person was invited to speak. Those used to be well supported, but not any more.

Most of the companies are reasonable to deal with. There were some difficulties in the past - mostly regarding leases and bill charging – but these have improved.

13 CONCLUSIONS

As required by SEG the conclusions drawn from the analyses carried out on all aspects of the WoSSP have been organised under three headings.

- Impact
- Good practice
- Value for money

[a] Impact of WoSSP

The project brief required that several specific questions be addressed in considering the impact of WoSSP:

- How has the project performed in relation to employment issues?
- What is the impact in terms of GDP of the companies located on WoSSP compared to Glasgow/national levels?
- Are the companies showing a propensity for growth?
- What ratio of the turnover of the companies located on WoSSP is export-oriented [outside UK]?

The questions are considered below in order.

How has the project performed in relation to employment issues?

Based on standard indicators of 1 job per 23 -33 sq m, WoSSP could have been expected to accommodate 793 – 1137 jobs. At the present time, it accommodates 823 jobs which lie well within that range.

The jobs created on WoSSP are of an extremely high standard with 42% being classed as highly skilled and a further 41% as skilled. In terms of salary levels, 29% of the salaries on WoSSP are above the average professional salaries for Scotland and Great Britain. Seventy-six percent of the WoSSP salaries are above the Glasgow, Scotland and Great Britain averages for *all occupations*. Twenty-four percent of the salaries on WoSSP are below the all-occupations averages for Glasgow, Scotland and Great Britain. Thirty-eight percent of those lower-paid jobs are classified as skilled or highly-skilled.

On the surface, this is a matter of some concern that some employees who are classed as skilled or highly-skilled are being paid below the city and national averages for all occupations. However, those jobs may relate to owners of small businesses drawing modest salaries from their businesses at an early stage in their development and to the employment of new graduates. In order to maintain confidentiality, salaries were quoted against skill levels only.

Around two-thirds of the jobs on WoSSP are filled by local residents.

The net FTE jobs on WoSSP have contributed around £28,428,889 to the Glasgow economy [Table 11.3] and from £26,103,091 to £30,714,360 to when calculated on the Scotland and UK indices.

What effect has there been on sales turnover?

Of the nineteen companies, eighteen said that their sales turnover had increased since moving to WoSSP, The percentage increases ranged from 233% to 750%: this excluded, of course, the new-start companies as there sales turnover was zero at the time of their locating on the Park. The main reasons for growth in turnover were: expanding markets [32%] and improved products [28%].

Are the companies showing a propensity for growth?

It can be seen from the comments on turnover above that most of the companies have increased their sales turnover since moving to the WoSSP. The companies were also asked about their markets share and c.21% said they had more than 20% share of the market for their main product. Around 16% had 11-20% and 53% had 0-5%. The companies were reasonably bullish about future prospects for their products and services, although there was a level of change in future markets with some companies predicting growth in North American markets and a slight drop in Far Eastern markets.

More than half of the companies thought they performed better than the market segment in which they operated: none of the companies thought they performed below par for the segment. Thirty-three percent of the companies thought their performance was better than that of their main competitors and just under a quarter thought they were on a par with them. Overall the WoSSP companies performed considerably better than the market segment and slightly better than their competitors. It should be noted that even those companies saying they performed worse than their competitors were showing improvement.

What ratio of the turnover of the companies located on WoSSP is export-oriented [outside UK]?

As part of the process of considering how much of the activity on the Park is truly additional the issue of exporting was raised with the businesses. Three of the organizations on WoSSP are restricted by legislation in terms of areas of sales activity. Excluding those companies, 45% of all sales were to destinations outside the United Kingdom. The “UK other than Scotland” category accounted for 27%.

In terms of the UK economy, it can be seen that 45% of the sales income on the WoSSP is additional and, if considered in terms of the UK other than Scotland that figure rises to 72%.

In view terms of:

- Increasing turnover
- Levels of market share
- Targets for increased market coverage
- Better performance than competitors
- Exports

The WoSSP companies are showing a propensity for growth.

Summary

Overall, WoSSP is making a significant contribution to the local and national economies in terms of number of net additional jobs, quality of jobs, sales income generated, market share, exports and future projections. It must be concluded, therefore, that WoSSP has a positive economic impact at both the Glasgow, Scotland and UK levels.

[b] Good practice

The aspects of WoSSP that come under the heading of “Good Practice” are:

- Displacement
- Leverage
- Conformity to eligibility criteria
- Effective management
- Importance of University links

Those issues are considered below.

Displacement

Displacement of market activity was considered in terms of both the direct provision by SEG and in terms of rental levels charged.

Only 14% of the companies would have remained in Glasgow had WoSSP not existed. As SEG is tasked with the promotion and development of the economy of Glasgow, the absence of WoSSP would have resulted in a considerable negative impact on the city. In terms of displacement of market activity, WoSSP would seem to have attracted private-sector investment rather than displaced it. The creation of the Park infrastructure and the development of the first two phases proved to be sufficient to attract c. £15.3 million of private-sector investment, which would not have happened had SEG not been able to point to the success of the earlier phases of the Park.

The rental levels charged on WoSSP are also comparable with those on other UK science parks and with business parks in Scotland.

The level of export business at almost half of all sales on the Park to countries outside the United Kingdom brings a high level of additionality to the WoSSP.

Overall the displacement effect of WoSSP is believed to be very small in terms of its contribution to the economy of Glasgow and Scotland.

What is the estimated public/private leverage ratio?

Due to the historic nature of some of the expenditure on WoSSP it was not possible to identify with precision the total public expenditure. Estimates have been made of the costs; however, it is believed that a total of around £8.5 million public investment and £15.25 million private investment has taken place. That results in a public/private investment ratio of

Public	:	Private
1	***:***	***1.8***

Given the stage of development of both WoSSP and many of the companies, this is believed to be an excellent leverage ratio. When considering the investment ratio of developments on six other UK science parks only one was fully private-sector funded[62], two were joint ventures and the remainder were funded by the public-sector. That produced a public/private investment ratio of 1 : 1.6.

[62] Davidson House, Aberdeen Science and Technology Park, Full Impact Evaluation, Scottish Enterprise Grampian, December 2002, Prepared by PRA Economic Development Consultants.

Do the businesses occupying WoSSP meet the eligibility criteria laid down for the Park?

All of the companies on WoSSP conform to the four key client target groups identified for the Park, with 28% being university spin-outs. In terms of the market segment in which the companies operate and the activities they carry out, the WoSSP companies certainly meet the eligibility criteria. Sixty-four percent of the companies on the Park work in the fields of bio-medical and laser/sonar technologies; 17% are involved in research and development and a further 31% in design and development, with 14% involved in product testing.

The Park has lower percentages of companies involved in computer-related and consultancy services than the average for the UKSPA membership.

The companies on WoSSP more than meet the criteria laid down for the Park and are comparable – and in some aspects better – than the averages for the UKSPA members.

What has been the take-up of business support services provided by Scottish Enterprise network and are the tenant companies generally satisfied with the services?

The tenants were mostly aware of the business support services provided by SEG. Just over 60% had contact with Targeting Innovation, half with SE national and just over half with SE Glasgow. None of the companies had had any contact with the Small Business Gateway. Around a third of the companies were satisfied with the service provided by SE network and just over a third were very satisfied. Seventeen percent were dissatisfied.

It was difficult to establish exactly what gave rise to the dissatisfaction but seemed, overall, to be centred on SE National, particularly in relation to the number of people the companies had to deal with and the lack of continuity. One respondent remarked that SE's "heart was in the right place, but the execution was awful".

There may be scope for a designated "account manager" for each of the companies, who would maintain regular contact and arrange - on behalf of the companies - meetings with other parts of the network and possibly go along with the company to the meeting.

One other aspect that could be considered under "services offered by SEG" is the availability of the Grand Outdoors Café. Whilst this is a commercial business and not owned or subsidized in any way by SEG, it would not have located on the Park had there not been some assistance from SEG with fit-out costs and lease terms.

As already mentioned in this report, the businesses on the Park see the café in a positive light and several mentioned that they would like to see further services [dry-cleaning, general store, and so on] be made available. There is, however, some concern on the part of the café management [and also from some of the businesses] that there is not sufficient business being generated.

The existence of a "delivery" service that pre-dates the café [and maintains a degree of loyalty from its clients] has a negative impact on the café. This other service also offers catering for lunches, functions and meetings. With just over 800 people on the Park at any one time, there is likely to be insufficient business to maintain two caterers. Whilst it is down to the café to compete in the marketplace, there may be disparity in terms of overheads and it may be worth SEG's monitoring the position over the next few months.

How effective have the service providers been in managing WoSSP?

There are two service providers operating, one with an on-site presence:

♦ SE Glasgow Park Management	On site	Reception, conference rooms, mail, etc
♦ CRE Colliers:	Off site	Property and Facilities Management

SE Glasgow Park Management [SEGPM]: All of the tenants were aware that they were responsible for the conference rooms, and the majority were aware of all other services As could be anticipated, the companies on Kelvin Campus were the largest users of the services; although the conference rooms were used by a few of the companies on Todd. Those who used the services were happy with them, although there were several comments about the quality of the meeting rooms. There was a general feeling that only one of the rooms was of a high standard with the others being poorer quality.

The businesses were happy with the SEGPM, with the only concerns being part-time working and no holiday or absence cover. There was also a slight concern over the lack of decision-making powers resting with SEGPM.

CRE Colliers [CREC]: There was a high degree of awareness among the tenants of the services provided by CREC, the lowest being collection of payments other than rent and compliance with legislation. There were mixed views about the quality of the services provided by CREC. The poorest was the collection of rents, followed by processing applications and tenant supervision. The poorest ratings were all from tenants of SEG and not the private-sector developer, other than one company who said that Neilstra's building maintenance was poor. The main areas of dissatisfaction with CREC are the difficulties involved in getting a response to enquiries and the perceived inflexibility of the invoicing system. An issue for the tenants in Block 6 on Kelvin Campus is the higher rate of service charge, which they say as being levied without adequate explanation.

The companies were on the whole content with the level of contact that they had with SEGPM. Just under half said their views were sought frequently and a further 28% said their views were sought regularly. All of the companies stressed that their views were sought only by SEGPM.

Is Contact with the Universities Important?

The businesses were very positive about relationships with the three universities. The contacts with the universities were classed as technical, business or leisure [use of the sports facilities]. More than half of the companies had contact of a technical nature with the universities and 44% had business contact. Around 14% used the sports facilities.

Some of the companies would have liked to see more direct on-line access to the university libraries.

How Does WoSSP Rate as a Home to Businesses?

The companies seemed to be content with the Park overall, perhaps best summed up by the company who said that WoSSP was "Glasgow's best kept secret". The companies generally were happy with SEGPM and had some issues with CREC.

The businesses liked the environment and generally believed it had improved the image and performance of their businesses. It was felt that the demolition of Block 5 and its replacement by a more modern facility provided by the private-sector was an advantage to the Park. In general terms, there was positive feedback on the role of the private-sector.

The improvements to the security on the Park were well received, although there was some concern that more was required.

The café was a welcome addition to life on WoSSP and some of the companies were keen to see further "services" introduced, dry cleaning, development of photographs, crèche, and so on.

There were some complaints about the one-way system, the most pertinent of which was that the signs face the wrong way round on part of the system.

There was some concern that some of the properties on the Park are getting a bit tired and that a rolling programme of replacement may be worth considering. This was shared by SEGPM, who felt that companies moving on to the Park now required a higher specification than was available in the older buildings.

Summary:

The companies on the Park all meet the eligibility criteria and compare well with the profile of companies on the UKSPA member parks. There is public/private leverage of 1 : 1.8, which compares well with the 1 : 1.2 achieved on some other Parks. The displacement effect of WoSSP in terms of market activity is minimal in terms of both Glasgow and Scotland.

All aspects of WoSSP conform to good practice both in terms of the efficiency of the services provided to the businesses, the on-site management of the Park and its procurement. There are a few issues that require some further attention: the role and performance of the off-site management, further security and traffic management. A more simplified management system located wholly on-site and responsive to the requests of the businesses may be worth consideration.

It would be worthwhile looking into the dual rates of service charge on the Park.

Consideration should be given to having an account manager for each of the businesses who would assist them in dealing with the various parts of the SE network.

Contacts with the universities were important to the businesses with over half of the companies contacting them on technical issues and 44% having business contacts with them. Half of all the businesses taking part in the study had contact with the universities at least once a month.

[c] Value for Money

Value for money is considered in terms of:

- Occupancy levels;
- Private and public funding;
- Future expansion.

Occupancy Levels

Around 12% of the available property is vacant on WoSSP compared with 13% on UKSPA member parks. The Pantherix building is not included in that figure as the company was in occupation at the time of the study. The building is the subject of a serious enquiry from an appropriate business at the present time. The remaining vacant property is located in buildings 2, 3, 4 and 6 on Kelvin Campus. That may be symptomatic of the rising standards required by prospective tenants. This may present an opportunity, however, to consolidate companies in buildings 4 and 6 whilst 2 and 3 become the subject of re-development. Such a step would, of course, cause disruption to the businesses being moved, but an incentive to do so may be worthwhile considering in order to achieve the replacement or refurbishment of two of the oldest buildings on the Park.

Private and Public Funding

As has been shown in this evaluation, there is a good mix of both private and public funding on the WoSSP. Public-sector funding has come from both SEG [and its predecessor organizations] and the European Regional Development Fund [ERDF].

The ability to match its own funding with that from ERDF should continue to be pursued by SEG, as the increased funding will allow continued development and improvement of the Park. Without ERDF input the provision of further infrastructure could only take place as funding became available to SEG for that purpose. Given the opportunities presented in Glasgow, SEG has to spread its resources relatively thinly and without the ability to attract European funding, developments such as WoSSP may suffer in terms of timing, quality and quantity of future development.

Taking the public/private funding concept further may be worth some consideration in terms of matching *both* private and public funding with ERDF in order to achieve larger-scale infrastructure improvements and servicing of additional land for development.

Future Development

The WoSSP is divided into two campuses. Kelvin Campus is bounded by the main dual carriageway, the River Kelvin and Glasgow University sports facilities: there is, therefore, no additional land available for the development of Kelvin Campus. The way forward for the development of Kelvin Campus would appear to be through a rolling programme of replacing/redeveloping the first two phases of the Park. Such a programme would necessarily have concomitant difficulties in terms of stresses on the environment [from additional traffic and parking requirements] and also in terms of businesses who may have to be re-located or moved temporarily within the Park.

Some of the businesses interviewed raised the possibility of a rolling programme of replacement of some of the older properties and all were conscious of the need to maintain a high quality, modern business environment. Given sensitive handling and, where appropriate, assistance with moving costs there may be less resistance to such a programme than would normally be encountered on a general business park, for example.

Todd Campus is situated across the dual carriageway from Kelvin and is bounded by the road, Glasgow University facilities, housing, sports facilities, River Kelvin and land used by Riding for the Disabled. There is, therefore, limited scope only for further development on Todd. To acquire the land owned by Riding for the Disabled would necessitate the relocation of the existing facility at a cost likely to prove prohibitive. The site occupied by Acre House combined with an area fronting on to the dual carriageway would provide a fairly substantial development site; however, the University of Glasgow is not willing to dispose of the Acre House site, leaving only the smaller front-lying site, which requires the construction of an access road. To the south of the Coherent building there are playing fields owned by Glasgow City Council, who has said that one “pitch” could be made available for sale, provided SEG replaces the facility.

In reality, therefore, the development sites likely to be fairly easily made available for development are: small front-lying site to the south of Glasgow University’s Department of Aeronautics and an area to the south of the Coherent building.

Coherent has an option over a considerable area of land to the rear of its existing premises and, if not required by the company, this land could combine with the part-sports facility to form a larger development site.

There is no doubt that the Park is constrained by the lack of development opportunities; however, if the redevelopment of the older areas on Kelvin takes place, together with the areas available on Todd Campus, it is believed that additional economic impact could be achieved. The redevelopment of buildings 1, 2, 3 and 4 on Todd would accommodate a *minimum* of around 80 additional jobs [based on the Park’s 1 job per 31.7 sq m], and that on Todd a further 90 jobs minimum. The private-sector developments currently under construction should be able to accommodate a *minimum* of c. 110 jobs

Undertaking the developments outlined above, together with floorspace under construction, should bring employment on WoSSP to over 1,100.

It was mentioned in the report that twenty-three percent of the companies on the Park said that the availability of sites to accommodate company expansion was an important issue for them in deciding to locate on WoSSP. The lack of such expansion space in future will be a disadvantage to the Park in that companies seeking to expand in situ will not choose to locate on WoSSP.

Summary: The limited development opportunities available to WoSSP, if pursued with the private-sector, have the capacity to tap into further European funding, which would contribute to the remaining infrastructure requirements.

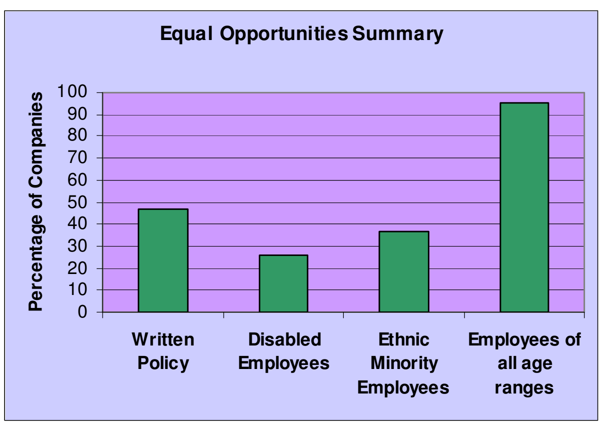
The Park is constrained by the non-availability of major development land, which is likely to have repercussions in terms of the companies locating there.

It is believed that the WoSSP demonstrates value for money. In property terms, the Park is 88% occupied and is achieving commercial rental levels when compared with both other science parks and business parks throughout Scotland. The Park accommodates 823 jobs, over two-thirds of which are of a high quality. The companies on the Park are showing a propensity for growth and are exporting 45% of their goods and services outside the UK and 72% outside Scotland. The companies contribute around £30 million to the national economy per annum. The initial public-sector investment of c. £8.5 million has attracted around £15.3 million private sector investment and equates to a gross[63] initial cost-per-job of c. £10,000 – well within government guidelines. WoSSP would appear to be excellent value for money.

Equal Opportunities

The companies were asked to provide some information on their equal opportunities policy. The graph below shows the summary position, with full details at Appendix 4.

Figure 13.1 Summary of Equal Opportunities Policy



[63] This ignores the residual value of the completed development, which, if taken into account, would produce a negative cost-per-job.

RECOMMENDATIONS

From the evaluation of the West of Scotland Science Park, it was obvious that there were a few issues that would benefit from consideration by Scottish Enterprise Glasgow. The issues fell into three areas: management, future development, and café.

1 Management of the Park

Based on the views expressed by the companies on the Park, it is believed that WoSSP would benefit from a simplified management regime. The majority of the businesses on the Park felt, to a greater or lesser degree, that their needs are addressed more promptly and comprehensively by the on-site management [pages 79-83]. There is concern that once a matter is referred to the managing agents it either takes an unacceptable length of time to be resolved or is not dealt with as the businesses would wish due to the lack of delegated decision-making.

Consequently, it is not sufficient simply for the management to be *located* on the Park: there must be delegated decision-making as well as the capacity to deal with all aspects of life on WoSSP – ranging from maintenance to leasing issues.

Several of the businesses mentioned the difficulty they experienced when dealing with Scottish Enterprise National due to complexities of the organisation and lack of continuity of staff [pages 75-76]. It was mentioned in the report that one way of dealing with such issues may be for SE Glasgow to allocate an "account manager" to each of the companies, who would act *inter alia* as liaison between the company and the SE network [page 76]. It is recognised, however, that staffing levels within SE Glasgow may not accommodate such an approach. The Park management team could take on this role, ensuring a company reaches the correct contact within the SE Network by making all arrangements. It may be that by becoming involved in the process, the Park management will be able to achieve continuity of personnel within the SE Network.

The tenants in Block 6 raised the issue of the higher rate of service charge levied on them by Colliers [page 83]. The companies in Block pay a service charge of £43.05 per sq m compared with £26.91 per sq m paid by all other companies. The tenants do not believe they have had an adequate explanation of this situation from Colliers. Colliers has cited the availability of the meeting rooms; however, those are used by companies from all parts of the Park. Although there is a communal security system in Block 6, which means that the tenants do not have to provide their own, that was installed by SE Glasgow and is not being charged on to the companies; therefore, it should not be considered relevant to a higher service charge – if, indeed, it is.

It is recommended that SE Glasgow carries out a review of the service charge rates, identifies what is included, and establishes whether the charge to the Block 6 tenants should be reduced.

One of the other issues raised by several of the businesses on the Park is the lack of cover for the present management team during holiday periods or sickness [page 80]. Some of the businesses felt that the handling of some issues was delayed because no identified locum was available.

Research both on and off the Park indicates that the appointment of a "handyman" who could deal with maintenance issues quickly and efficiently would be an effective addition to the Park management [page 91]. It is suggested that SE Glasgow look into the possibility of such an appointment, perhaps on a shared basis with Glasgow University, who owns several facilities adjoining WoSSP. An alternative would be to appoint someone who would deal with more than one of SE Glasgow's own properties; however, there is a risk of spreading the facility too thinly. If the waiting time becomes more than 24-hours the benefits to both the businesses and SE Glasgow will be greatly reduced.

It is recommended, therefore, that the management of the Park be reviewed to evaluate the benefits of:

- *An SE Glasgow-appointed, full-time management regime, located on the Park, with the ability to handle all aspects including: leasing, marketing, information flows, organisation of events, arranging of appropriate contacts and so on, as well as carrying out the day-to-day management tasks.*
- *Putting in place arrangements to cover holiday and sickness periods, with the identified locum being in residence on the Park for the appropriate period of time.*
- *Carrying out a review of the service charges applied throughout the Park to determine whether the rate should be reduced for the Block 6 tenants.*
- *Appointing a "handyman" to attend to the non-routine maintenance issues, such as alarms, electrical, heating and other building problems arising.*

2 Future Development of the Park

[a] Kelvin Campus

The main attraction and benefit of WoSSP to companies was identified as its environment [page 31]. The right environment for high-tech businesses includes modern, well-designed buildings as well as top-quality landscaping and management regimes. Some of the buildings on Kelvin Campus look somewhat tired and dated and, indeed, one building [Block 5] has been demolished by SE Glasgow to make way for the development of a modern, high-quality building by the private-sector developer, Speyroc. This move not only contributes to maintaining a high-quality environment on the Park; it also provides additional floorspace. This is due to the decision of the planning authority to allow two-storey development on Kelvin Campus.

It is recommended that SE Glasgow take the concept further, by introducing a rolling programme of re-development of the older buildings on Kelvin Campus. This could be carried out when buildings became empty when companies moved out of the Park to start manufacturing, or when they moved to larger premises on Todd Campus. It is recognised that this possibly would involve the moving of businesses if, for example, two buildings were partly vacant.

- *Such a programme, however, would enhance the environment of the Park and would provide much-needed additional floorspace and it is for those reasons that we recommend the consideration of a rolling programme of development on Kelvin Campus.*

[b] Todd Campus

Todd Campus, as identified in the report [page 103], is constrained by the lack of any substantial adjoining development land. There are two areas capable of – relatively - easy development [the small front-lying site and an area to the south of the Coherent building], and it is recommended that those be considered for early development. Existing options on land on Todd Campus should be reviewed to identify whether there is any realistic opportunity to achieve early development of the land, either by the companies holding the options or by early discharge of the options, allowing SE Glasgow to undertake development. Such development could be achieved by SE Glasgow, together with ERDF, becoming involved in any infrastructure works required and subsequent offering of the opportunities available to private-sector developers: as already achieved on both campuses.

One of the important issues for companies locating to WoSSP was the availability of buildings and the opportunity to expand *in situ* once the company grew. Without a comprehensive development programme for both campuses, the ability to offer both speculatively-developed smaller properties and larger properties for expanding businesses will be lost, resulting in the loss of high-quality employment opportunities for Glasgow.

- *It is recommended, therefore, that SE Glasgow review the achievable development opportunities on Todd Campus with a view to early implementation of a development programme.*

3 WoSSP Café

As mentioned within the report [page 99], SE Glasgow has recently arranged for one of the units on Kelvin Campus to be made available to a café operator. The businesses on the Park, without reservation, welcomed the opening of the café. Some businesses were concerned that the café was not attracting sufficient trade to keep it as a permanent feature.

The management of the café mentioned that a sandwich-delivery service was taking away some of their potential market and that, as a result, they were not achieving the turnover they had anticipated. Further research proved that was not the case as the company in question, we understand, no longer delivers to the Park.

Many of the businesses on the Park would like to see additional services offered, perhaps a small newsagent-type facility that would arrange, for example, development of photographs, dry-cleaning, and newspaper delivery [page 87]. The café owners did not see the facility as anything other than a café.

- *It is recommended that SE Glasgow review the café provision with a view to identifying whether the present management is sufficiently pro-active in, for example, contacting companies to advertise their catering facility; making out-door seating available in good weather; attracting off-site trade. Given the location of the café close to the entrance to Kelvin Campus, it would be easy for off-site customers to park close-by in order to make use of both take-away and eat-in facilities.*

- *It is recommended also that SE Glasgow considers whether there is scope for extending the facility to include standard “newsagent” facilities, together with accessing of off-site services.*

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APPENDIX 1
AERIAL PHOTOGRAPH
WEST OF SCOTLAND SCIENCE PARK

THE WEST OF SCOTLAND SCIENCE PARK

APPENDIX 2
BUSINESS ACTIVITIES ON WoSSP

WEST OF SCOTLAND SCIENCE PARK
Q13 Company Activities

Company	*Company Activities*	*Took Part*
R-Biopharm Rhone	Diagnostics company that produce test kits for Antibiotics, toxics, hormones, allergens, food salmonella etc. They sell their products to companies involved in food (KP Nuts, M&S) including the Trading Standards Authority	√
QCMD Ltd	The company provides an external quality assessment of the quantity management system of any organisation providing clinical diagnostic testing for diseases. The provide these companies with a certificate of participation which has 2 reports 1] results of their assessment 2] benchmark report comparing the organisation with the international companies. They do this for organisations throughout the world - don't provide accreditation as such because legislation differs from country to country. Certificate testifies that an external, independent assessment of the quality management system or the organisation has been carried out by recognised assessor.	√
CST Global Ltd	Design and manufacture of advanced laser components.	√
EJS Limited	Software: 1] Package solutions: develop, integrate/install 2] Business consultancy (i.e. support services0 3] Retail financial systems	√
Integrated POS Solutions	Development and sale of “Point of Sale” software	
BioReliance	Bio safety testing for bio-pharmaceutical companies (ie looking for viruses). Also does a small amount of seed virus production.	√
Pantherix Ltd	Drug discovery company doing R&D looking for new antibiotics.	√
Scottish Bio Medical	Pharmaceutical R&D	√

25 November 2003 *Page 1 of 2*

Company	*Company Activities*	*Took Part*
Transgenomic Ltd	Chemical manufacture of the building blocks for the synthesis of DNA – i.e., supply chemicals and reagents used in a synthesiser to produce DNA.	√
Iomart Ltd	Internet web hosting & network security software development. Bought Actis Technology, which was already on the Park	√
Coherent Scotland Ltd	Manufacturer of laser systems: research, development, design plus support	√
SEPA	Environmental regulation	√
DDA Ltd	1] Help companies who want to sell/provide MoD 2] Technology transfer from defence sector	√
Scottish Water	Engineering, design and management for public water supply.	√
Strathkelvin Instruments Ltd	R&DS and sales in biomedical/environmental treatment Manufacturing sub-contracted.	√
RRK Technologies Ltd	R&D product development, design and testing of long-range sonar-based sub-sea communications systems designed primarily for communication from surface to dived submarines.	√
Icosmart Ltd	Development solutions for online communities.	√
Tepnel Scientific Services	Contract research organisation for medical testing	√
Gyne Ideas	Medical devices Research and development	√
Beat Systems Ltd	A mobile computing software business serving the emergency services and private security markets in the UK. Company has pioneered hand-held technology.	X
SCMG Ltd	Developing a supply chain management strategy requires companies to consider all aspects of their business in terms or organisation, process and people. SCMG Ltd assists companies to achieve this.	X

Company	*Company Activities*	*Took Part*
Sherwood Gp Ltd	Sherwood is one of the world's largest software houses involved in the insurance market ad designs and delivers all over the world. These systems are based on advanced business models and code generators that take the modules and produce applications involving parallel workflow and business rules processing techniques.	**X**
Thistle Research	Company works in a niche market where there is strong life science and medically related research activity. Thistle Research offers sophisticated synthetic research products used at the leading edge of modern research practices.	**X**
Vosper Int Ltd	In parallel with continuing Research & Development in the field of specialist high-speed naval vessels, Vosper International has recently introduced a computerized ship maintenance management system known as VIMMS to support the servicing vessels throughout their life.	**X**

APPENDIX 3
COMPANY INTERVIEWS QUESTIONNAIRE

SCOTTISH ENTERPRISE GLASGOW

WEST OF SCOTLAND SCIENCE PARK

IMPACT EVALUATION QUESTIONNAIRE

Date Completed:

Campus/Building/Unit:

Section One: Company Details

Q1 Name of Company ....

Q2 Name of Contact ....

Q3 Type of Business (eg, plc, Ltd, Partnership**)** ....

Q4 Existing Company □ **New Start** □

Q5 Date Formed/Incorporated ....

Q6 When did you locate to WoSSP? ....

Q7 Where did you move from? ....

Q8 What made you locate on WoSSP?

Q9 Did your company originate in a University? **Yes** □ **No** □

Q10 How did the company hear about WoSSP?

Q11 If WoSSP had not been available to you what would have been your second choice of location?

Q12 Was that your* second *choice because of:

Location	☐	01
Rental level	☐	02
Service charge	☐	03
Type of accommodation	☐	04
Size of accommodation	☐	05
Lease duration	☐	06
Lack of service provision	☐	07
Poorer quality environment	☐	08
Landlord / Landowner	☐	09

Other

Section Two: Company Business

Q13 What are the company's activities?

Section Three: Market Information

Q14 What is your target market segment? (eg, computer industry, life science companies, health service)

Q15 In which geographic areas are you currently active?

Local	□ 01	Scotland	□ 02	UK	□ 03
Europe	□ 04	North America	□ 05	South America	□ 06
Near East	□ 07	Far East	□ 08	Middle East	□ 09
Globally	□ 10				

Q16 Which areas do you plan to target in the next 3 years?

Local	□ 01	Scotland	□ 02	UK	□ 03
Europe	□ 04	North America	□ 05	South America	□ 06
Near East	□ 07	Far East	□ 08	Middle East	□ 09
Globally	□ 10	None	□ 11		

Q17 What is the size of the market for your main product?

>10 million	□ 01	£10-30 million	□ 02	£30-£50 million	□ 03
£50-£100 million	□ 04	£100-£500 million	□ 05	>£500million	□ 06
Don't Know	□ 07				

Q18 What is your share of the market for your main product?

0–5% □ 01 6-10% □ 02 11–20% □ 03 >20% □ 04 Don't know □ 05

Section Four: Job Creation

Q19 Number of jobs immediately prior to company locating on WoSSP

Full-time

Male .... Female ....

Part-time

Male .... Female ....

Q20 Current number of jobs

Full-time

Male .... Female ....

Part-time

Male .... Female ....

Q21 How many jobs are :

Highly Skilled (second degree) .... Skilled .... Unskilled ....

Q22 How many employees are involved in R&D?

Before moving to WoSSP ....
Currently ....

Q23 How many employees do you have in each of the following salary levels?

	>=£20K	£21-30K	£31 – 40K	>£40K
Highly skilled				
Skilled				
Unskilled				

Q24 Has the company had any recruitment problems? **Yes** □ **No** □

Only if YES -

Q24A Were there problems before moving to WoSSP? **Yes** □ **No** □

Q24B What were the issues?

Q25 Where did the company recruit from?

Locally □ 01 Scotland □ 02 UK □ 03 Other □ 04

Q26 Have there been problems since moving to WoSSP? Yes □ No □

Only if YES What were the issues?

Q27 **Has being located in WoSSP made recruitment?**

Easier □ 01 More difficult □ 02 Had no effect □ 03

Q28 **How many of your staff members live locally?**

Full-time		Part-time	
Male	**Female**	**Male**	**Female**

6 Section Five: Sales Turnover

Q29 ***What was the company's turnover immediately before locating on WoSSP?***

Q30 ***What percentage of your annual turnover is attributable to export:***

UK other than Scotland

Europe

North America

Rest of World

Q31 **Have sales increased since locating on WoSSP?** **Yes** □ **No** □

Only if YES

Q31A What is your turnover now? ....
(If unwilling to say – can you give a % increase)

Q32 **Reasons for change [either]**

Increase		Decrease	
Expanding Market	□	Shrinking Market	□
Improved Marketing	□	More companies entering market	□
Improved Products	□	New products entering market	□
Other		Other	
....		....	

Q33 Has your location on WoSSP been a factor in your *improved sales performance?* **Yes** ☐ **No** ☐

Only if YES

Q33A In what way did WoSSP contribute to improved sales performance?

- Better relations with customers:
  - Better image from accommodation & environment ☐
  - Conference room facilities ☐
  - Availability of secretarial services ☐
- Business advice support from:
  - SE Glasgow ☐
  - Targeting Innovation ☐
- Larger/more modern premises allow increased productivity ☐
- Other

Q34 How does your sales performance compare with the performance of your market segment?

On a par with market segment	☐ 01	Below the market segment	☐ 02
Better than market segment	☐ 03	Don't know	☐ 04

Q35 How does your in sales performance compare with your competitors' performance?

Better	☐ 01	Worse	☐ 02
The same	☐ 03	Don't know	☐ 04

Comments Box

Q36 How do you see your sales performance prospects in 3 years time?

Increase	☐ 01	Decline	☐ 02
The same	☐ 03	Don't know	☐ 04

Comments Box

Section Six: SE Glasgow Management Services

Q37 Are you aware that reception staff is responsible for the following duties:

- ☐ central reception duties
- ☐ manage conference rooms – bookings, equipment and consumables; cleanliness
- ☐ provision of basic word processing and spreadsheet services
- ☐ photocopying – ensure equipment in working order; ensure sufficient consumables; report usage of equipment for billing
- ☐ provision of fax service

Q38 How often do you use these services?

	Daily	Weekly	Occasionally	Never
central reception facilities	□ 01	□ 02	□ 03	□ 04
conference rooms	□ 01	□ 02	□ 03	□ 04
word processing/spreadsheet services	□ 01	□ 02	□ 03	□ 04
common photocopying facilities	□ 01	□ 02	□ 03	□ 04
fax facility	□ 01	□ 02	□ 03	□ 04

Q39 How do you rate these services?

	Very Good	Good	Satisfactory	Poor
central reception facilities	□ 01	□ 02	□ 03	□ 04
conference rooms	□ 01	□ 02	□ 03	□ 04
word processing/spreadsheet services	□ 01	□ 02	□ 03	□ 04
common photocopying facilities	□ 01	□ 02	□ 03	□ 04
fax facility	□ 01	□ 02	□ 03	□ 04

Comments

Q40 Are there any office services you require which are not provided? **Yes** ☐ **No** ☐

If yes, what?

Q41 Are the hours of service 0900 – 1700 Monday to Friday sufficient? **Yes** ☐ **No** ☐

Only if NO

Q41A Are these hours sufficient, or would you prefer longer hours:

0830-1700 ☐ 01	0800-1700 ☐ 02	0730-1700 ☐ 03
0830-1730 ☐ 04	0800-1730 ☐ 05	0730-1730 ☐ 06
0830-1800 ☐ 07	0800-1800 ☐ 08	0730-1800 ☐ 09

Q42 Do those providing services ever seek your views on the services they provide?

frequently ☐ 01 occasionally ☐ 02 never ☐ 03

Q42A Would you like them to consult you at, say, a regular meeting? **Yes** ☐ **No** ☐

Comment:

(Q43 for companies in Building Six only)

Q43 Does reception deal with your visitors promptly, politely and efficiently?

Yes ☐ *No* ☐

Q44 Do you know who is responsible for the following and how do you rate them?:

Y/N

□ dealing with tenants' enquiries on a day-to-day basis

very good □ 01 good □ 02 satisfactory □ 03 poor □ 04

□ notification/collection of rents, service charges, estate service charges, insurance premiums, as appropriate

very good □ 01 good □ 02 satisfactory □ 03 poor □ 04

□ notification/collection of payments due for electricity, telephone, fax, photocopying

very good □ 01 good □ 02 satisfactory □ 03 poor □ 04

□ Processing tenant's applications for consent under their Occupational Lease (alterations, assignation, sub-letting, any variation to terms of lease)

very good □ 01 good □ 02 satisfactory □ 03 poor □ 04

□ tenant supervision – property inspection, compliance of lease obligations and statutory requirements

very good □ 01 good □ 02 satisfactory □ 03 poor □ 04

□ service contract (cleaning, security, landscaping)

very good □ 01 good □ 02 satisfactory □ 03 poor □ 04

□ ensuring that WoSSP facilities comply with legislation relating to health & safety at work, fire precautions, environmental issues.

very good □ 01 good □ 02 satisfactory □ 03 poor □ 04

Q45 On the whole, are you satisfied with way, form and quality of the service provided to you?

Yes □ No □

Comment:

Q46 ***Was the availability of on-site management a reason for your locating to WoSSP?***

Yes □ **No** □

Section Seven: Ethos of WoSSP

Q47 The ethos of the West of Scotland Science Park is to provide a supportive location for the successful development of high technology projects through the provision of an environment which:
[a] offers accommodation of a high standard built with high-tech companies in mind;
[b] provides easy access to the technical, business and leisure facilities of the Universities of Glasgow, Strathclyde and Glasgow Caledonian;
[c] Offers easy access to support services from the Scottish Enterprise Network.

Do you think this has been achieved overall? **Yes** □ **No** □

Comment:

Q48 ***Did the physical environment of the Park play a role in your decision to locate here?*** ***Yes*** □ ***No*** □

Comment:

Q49 **How important to the success of the company is the appearance and quality of your accommodation?**

Very important	□ 01
Important	□ 02
Slight importance	□ 03
Of no importance	□ 04

Comment:

Q50 Is contact with the Universities important to your company?

Very important	□ 01
Important	□ 02
Slight importance	□ 03
Of no importance	□ 04

Only if YES
Q50A What type of contact is important?

Technical	□
Business	□
Leisure/Sports	□

Q51 How frequently do you have contact with the Universities?

Daily	□ 01
Weekly	□ 02
Monthly	□ 03
Less Frequently	□ 04
Never	□ 05

Q52 Is contact with other companies on the Park important?

Very important	□ 01
Important	□ 02
Slight importance	□ 03
Of no importance	□ 04

Q 53 How frequently do you have contact?

Daily	□ 01
Weekly	□ 02
Monthly	□ 03
Less Frequently	□ 04

Q54 Are the services of the Scottish Enterprise Network important to you?

Very important	□ 01
Important	□ 02
Slight importance	□ 03
Of no importance	□ 04

Q55 Which parts of the SE Network do you deal with?

SE National	□
SE Glasgow	□
Targeting Innovation	□
Small Business Gateway	□

Q55A [For those who deal with the Network only]
Are you satisfied with the services provided by the SE Network?

Very Satisfied □ 01 Satisfied □ 02 Dissatisfied □ 03

Comment:

Q56 Are there any aspects of the Park you would change? **Yes** □ **No** □

SectionEight: Accommodation

Q57 What aspects of accommodation are important to your company's success?

Q58 Are there any of the above aspects WoSSP does *not* provide?

Questions 59 and 60 are probably relevant only to tenants of Block 6, Kelvin Campus.

Q59 Can you always get access to your premises when you need to? **Yes** □ **No** □

If not, why and at what times?

Q60 Do you have any problems whilst working outside normal hours?
(for example, photocopiers, phones, security)

Lease Terms

Q61 Is your lease duration what you were ideally looking for?

Yes □ 01 longer □ 02 shorter □ 03

Q62 Do you think the rental level is reasonable for the accommodation provided?

Yes □ 01 too high □ 02

Q63 Do you think the service charges are reasonable for the scope and standard of services provided?

Yes □ 01 too high □ 02

Q64 Do the use conditions in your lease restrict your company in any way?

Comments

Security: CCTV and a manned night-time security presence included in service charge

Q65 Do you think the security features are adequate? **Yes** □ **No** □

Q66 Are there any problems with security?

Q67 Was security a factor in deciding to locate on WoSSP? **Yes** □ **No** □

Section Nine: Concluding Remarks

Q68 Are there any final remarks you would like to make?

INTERVIEWER:

APPENDIX 4
COMPANIES' CONCLUDING COMMENTS

Q68 Concluding Remarks

ID	Remarks
1	The Park is a good place to work. No problems at all. Support received is more than acceptable - would be content with less. SE very responsive, work hard for the company and are proactive with opportunities.
2	Park management should think through the one-way system and do it right. Signs are now facing away from the direction visitors are travelling in, car park entrance and exits face in the wrong direction. Need to do something about the security.
3	Looked at various sites in Glasgow - weren't as suitable or attractive as Inchinnan to purchase site for large scale manufacturing where they will all move to in 6-9 months.
4	Standard of Park has been good for company. It's close to the airport and motorway. Nice environment - visitors comment on it. Parking is good. Restaurant has been very good for both staff; for taking clients to for something to eat; catering for meetings. There are not a lot of eating places near the Park. It provides good quality food. Respondent worried that it is not getting sufficient business to keep going. The catering is good in the conference centre.
6	Nicolle and Maurice are very helpful and go out of their way to help. They do a lot to create a community through events organised by Nicolle.
7	Glasgow's best kept secret

ID	*Remarks*
8	1) Expansion space important 2) Glasgow City Council rates - approach to whole question of Small business rates are not good. Business rates are almost Penal - £2,000 per person 3) Developers like Neilstra have added to the diversity of the Park 4) Bought previous building and had to dispose of it to Neilstra - Need to shed skin along the way. Good mix. SE helped with Fit-out of interim facility put in generic clean room. Expansion in Future would be a major deal - need a vibrant local market.
9	Environmental issues: Landscaping - stop cutting grass in certain areas - increase natural habitats SEPA would be willing to help with advice. Mostly maintenance issues
10	In general very good, runs very smoothly. Only cleaning is a difficulty. Lunch-time meetings would be good.
11	Main issues: Looking to stay on the Park long-term as long as it Is economical to do so More flexible working practices from Colliers To be actively promoted by the Science Park - could be an Added bonus To have a closer connection with SE People don't recognise the Park or know University owns it Café good - more services like that
12	Parking issues
13	Park management should be about managing companies rather than property. On-line access to University libraries could be helpful. There could be a better synergy between companies. Back up services such as solicitors, /graphics companies might be based on the Park.
15	Relocation issues
16	Maurice is good - but pays more attention to property issues rather than company issues
19	The Science Park has been accommodating so expanding in the Park. Issues are usually addressed. Security and image

APPENDIX 5
EQUAL OPPORTUNITIES SUMMARY

EQUAL OPPORTUNITIES POLICIES

	Written Policy	Disablity Employees	How Many	Ethnic Minority	How Many	All Age Ranges	Comments
1							Company now out of business.
2	Y	N		N		Y	
3	Y	N		Y	2	Y	
4	N	N		N		Y	Have previously employed people with disability
5	Y	N		N		Y	
6	Y	N		Y	10	Y	
7	Y	N		N		Y	
8	Y	Y	1	Y	3	Y	
9	Y	N		Y	1	Y	
10	N	N		N		Y	Part of Ministry of Defence
11	N	N		N		Y	
12	Y	Y	5	Y	48	Y	
13	N	N		N		Y	
14	N	Y	1	N		Y	
15	N	Y	1	N		Y	
16	Y	N		Y		Y	Yes - but no number given
17	N	N		N		Y	
18	N	N		N		Y	No written policy but are a equal opportunities company
19	N	Y	2	Y	4	Y	
Totals							
YES	**9**	**5**	**10**	**7**	**68**	**18**	
NO	**9**	**13**		**11**		**0**	
No Response	**1**	**1**		**1**		**1**	