



University  
of Glasgow

# University of Glasgow

GLASGOW, SCOTLAND

APPOINTMENT OF STRATEGIC COMMERCIAL JV PARTNER  
FOR MIXED-USE UNIVERSITY CAMPUS DEVELOPMENT



A unique opportunity to become  
JV Partner with the University  
of Glasgow and collaborate to  
deliver a range of commercial  
and residential buildings across  
their 70 + acre campus in  
Glasgow's renowned West End.

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Innovation Zone

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Student Accommodation

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Hotel and serviced apartments

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Retail and leisure

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Commercial offices

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**PROFESSOR SIR ANTON MUSCATELLI**

Principal and Vice Chancellor

# Foreword from the University of Glasgow

It gives me great pleasure to introduce this exciting new vision for a partnership approach to the development of the commercial offer on our Gilmorehill campus.

The University of Glasgow has been changing the world for more than five hundred years. From humble beginnings in the crypt of Glasgow Cathedral, it has grown in reputation and stature to become one of the world's top 100 Universities, attracting talented staff and students from all over the world to Scotland's shores.

When the University of Glasgow first moved to Gilmorehill in 1870, it marked a major new chapter for both the University and the city. Over the course of the 150 years since, what was once a remote greenfield site has been transformed into an affluent, thriving and diverse area of one of Europe's most culturally rich cities.

The initiation of our Campus Development Programme five years ago marked the beginning of another major new chapter in our history and has already revolutionised our capacity and capabilities for ground-breaking research and provision of a world-class learning and teaching experience. Our flagship James McCune Smith Learning Hub - named after the first African American in history to be awarded a medical degree, receiving an MD from the University of Glasgow in 1837 - opened in April 2021. The new Hub, with the Advanced Research Centre (ARC) and other planned facilities, form the vibrant, creative and collaborative heart of our new campus.

With your help, we will continue our journey to transform the West End of the city into a globally renowned hub of academic, cultural and innovation activity, creating a world-leading environment for both our people and our partners.

We are the University of Glasgow, for Glasgow, and we take our ancient responsibility to work for the benefit of our city and its people seriously. Our vision is for a fully porous campus deeply integrated into and at the heart of our local community, offering spaces where staff, students and local residents will live, work, and play alongside one another in new catering outlets, residences and amenities.

The path to get to this point in our history is long, and we understand that the full achievement of our vision will itself take a generation or more to realise. We are seeking a long-term development partner who will go on this journey with us, responding to the emergent opportunities that will arise with creativity, innovation and a shared sense of passion to deliver best-in-class facilities for our people, our partners and our city.

Our recently launched strategy, World Changers Together, is predicated on the simple idea that our greatest achievements are the result of working together, driven by a shared sense of purpose and desire to change the world for the better. If you share our vision and our values, we welcome your expression of interest in working with us.





# Executive Summary

The University of Glasgow is seeking to appoint a suitably experienced and well-funded joint venture development partner to deliver and retain the commercial and residential elements of its mixed-use campus. This will assist the University in the delivery of its strategic objectives to create a world class learning and research environment with an outstanding student experience.

The University of Glasgow is the fourth oldest university in the English speaking world. Today, the University's estate extends over 70+ acres in the West End of Glasgow; a prime residential area renowned for the outstanding quality of its buildings and as a destination for culture, arts, music and leisure.

During the period 2011 to 2013, the University purchased 14 acres adjacent to the campus in order to facilitate a major campus development programme projected to cost up to £1Bn. As part of this development, in 2017 the University was granted Planning Permission in Principle for the development of 600,000 sq. ft. of commercial and residential accommodation to form a truly mixed-used campus.

The partnership's initial project will focus on the delivery of this new Mixed-Use Quarter fronting onto Church Street and Dumbarton Road which will form the western edge of the campus. The quarter is envisioned to include an Innovation Zone, student residences, retail and leisure, hotels and serviced apartments and commercial accommodation on a series of identified plots.

Over the next five to ten years, the selected joint venture partner will also have the opportunity to develop other significant sites and buildings across the University's existing campus as they become surplus to future occupational requirements.

Glasgow University is rated as one of the top 100 universities in the world, is a member of the prestigious Russell Group of research intensive universities and was voted as the Times Higher Education University of the Year in 2020.

The University has a student population of over 29,000 people from 147 countries with projected growth of up to 25% over the next six years, the majority of which is forecast to be international postgraduate students.

This is a once in near 600 year opportunity to partner with a leading global university and deliver one of the most important opportunities in Scotland.



# Delivering a Mixed-Use Quarter and Innovation Zone

The next phase of the Campus Development plan will enable the following strategic objectives of the University.



## COMMUNITY

To accelerate innovation and economic growth, invest in the physical and mental health and wellbeing of our students and diversify our community



## CONNECTIVITY

To expand the social space and create an ecosystem of collaborative spaces, broaden public access to and use of campus locations and assets



## CHALLENGE

To create greener, healthier and more sustainable campuses within our communities

The University has identified three workstreams that require collaboration with a joint venture partner in order to deliver these objectives and accelerate the delivery of the commercial and residential elements of the consented masterplan.

### WORKSTREAM 1 ENHANCED EXPERIENCE FOR ALL

The re-development of the former Western Infirmary site provides an opportunity to create a new, vibrant and exciting retail, leisure and civic destination in the heart of the globally renowned West End of Glasgow. The development of hotel accommodation, bars, restaurants, cafes and retail units will support and enhance efforts to create an inviting and accessible campus where students want to be.

### WORKSTREAM 2 STUDENT HOUSING

The University of Glasgow currently owns 3,407 student bedrooms across ten separate locations mainly in the West End of Glasgow.

The University is considering how best to modernise, consolidate and improve their student accommodation estate in order to cope with projected increases in student numbers and provide the best possible residential experience to both under graduate and post graduate students.

### WORKSTREAM 3 INNOVATION

The University intends to create a campus Innovation Zone that is intrinsically enmeshed with their new Advanced Research Centre and Adam Smith Business School.

The zone will allow the University to incubate growing research and development companies and builds on the establishment of the University as a 5G campus and the creation of a wider Glasgow Riverside Innovation District.

The Innovation Zone will provide a range of start-up accommodation in both new and refurbished listed buildings for spin outs, research, businesses and organisations that want to collaborate with the University.

### INTEGRATING THE WORKSTREAMS

The University has identified four key development plots to the western boundary of the former Western Infirmary site where there is an opportunity to develop a fully integrated and distinct mixed-use quarter that creates a blended edge of commercial and residential buildings.

The development of these plots will provide the initial development project of the joint venture with the University.

The creation of the mixed-use quarter is supported by the various uses and quantum of accommodation in the consented Planning Permission in Principle.



# Mixed-Use Quarter and Innovation Zone

The proposed Mixed-Use Quarter and Innovation Zone is located on Church Street between University Place and Dumbarton Road in the West End of Glasgow. Access to Church Street is taken from Byres Road to the north and Dumbarton Road to the south.

The western edge of the four development plots forms the entire western edge of Church Street, whilst to the east frontage to Church Street whilst to the east they will face the completed academic buildings being the Clarice Pears, Advanced Research Centre and Adam Smith Business School and PGT Hub.

Byres Road which lies immediately to the west of Church Street is the principal commercial street in the West End of Glasgow and forms part of the area's outstanding leisure offer with a wide range of bars, restaurants, cafes and retail units.

The proposed Mixed-Use Quarter and Innovation Zone will occupy a series of sites identified as plots J, H, G and E in the Plot Boundaries Plan attached to the planning consent for the mixed-use campus.

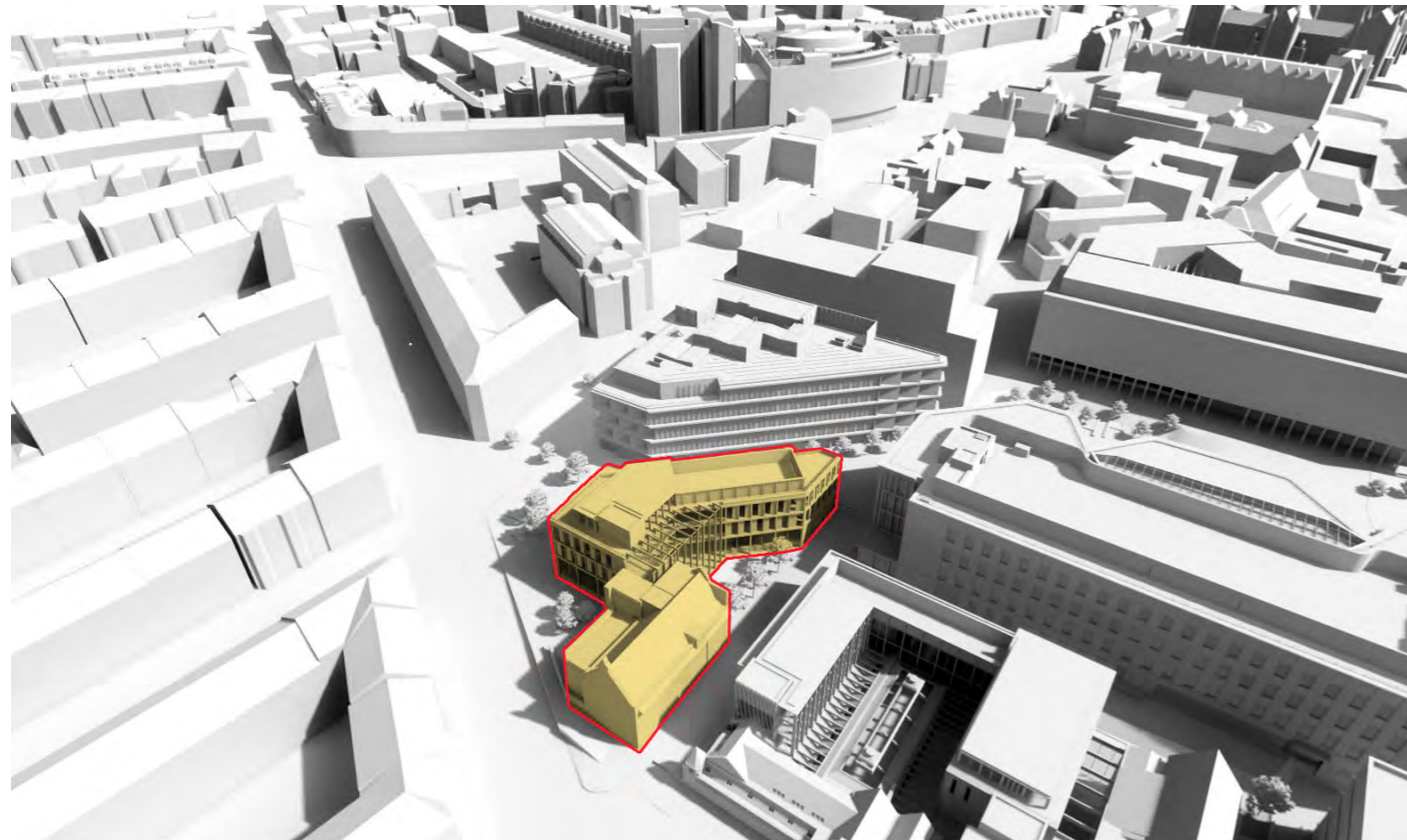
The plots run north to south down Church Street and are generally regularly shaped. The boundaries of the plots form new routes and lanes through the campus maximising permeability and providing opportunities for a range of leisure and retail uses on the ground floor. The new routes will provide access to a new University Square and to the academic buildings, parts of which will be open to the public.

There are existing listed buildings on each of the development plots which will require to be fully refurbished and integrated into new buildings. The listed buildings reflect the character and heritage of the site and provide an exceptional opportunity to blend the historic fabric with new functionality as well as promoting issues such as a sustainable and circular campus.





# Mixed-Use Quarter and Innovation Zone

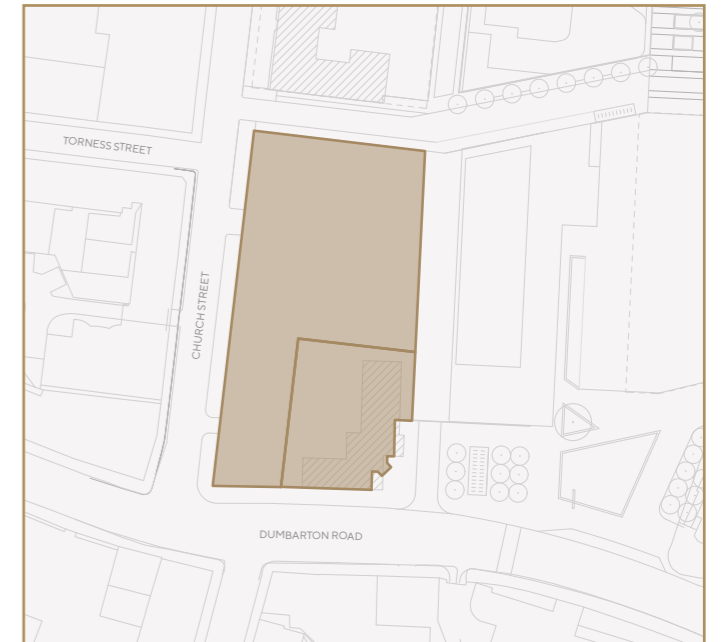


## PLOT E

Plot E forms a prime plot at the corner of Church Street and Dumbarton Road. The only building to be retained and incorporated on this plot will be the listed section of Anderson College. The new Adam Smith Business School is currently under construction immediately to the east of this plot.

There is the potential to deliver a significant mixed-use building on this plot incorporating student residential, hotel and office space in the upper floors with retail, small supermarket, food and drink on the ground floor.

The planning consent for the mixed-use campus grants permission for up to 134,000 sqft of hotel accommodation and 156,000 sqft of student accommodation. The actual quantum of accommodation that can be delivered is limited by height parameters under the parameter plans.

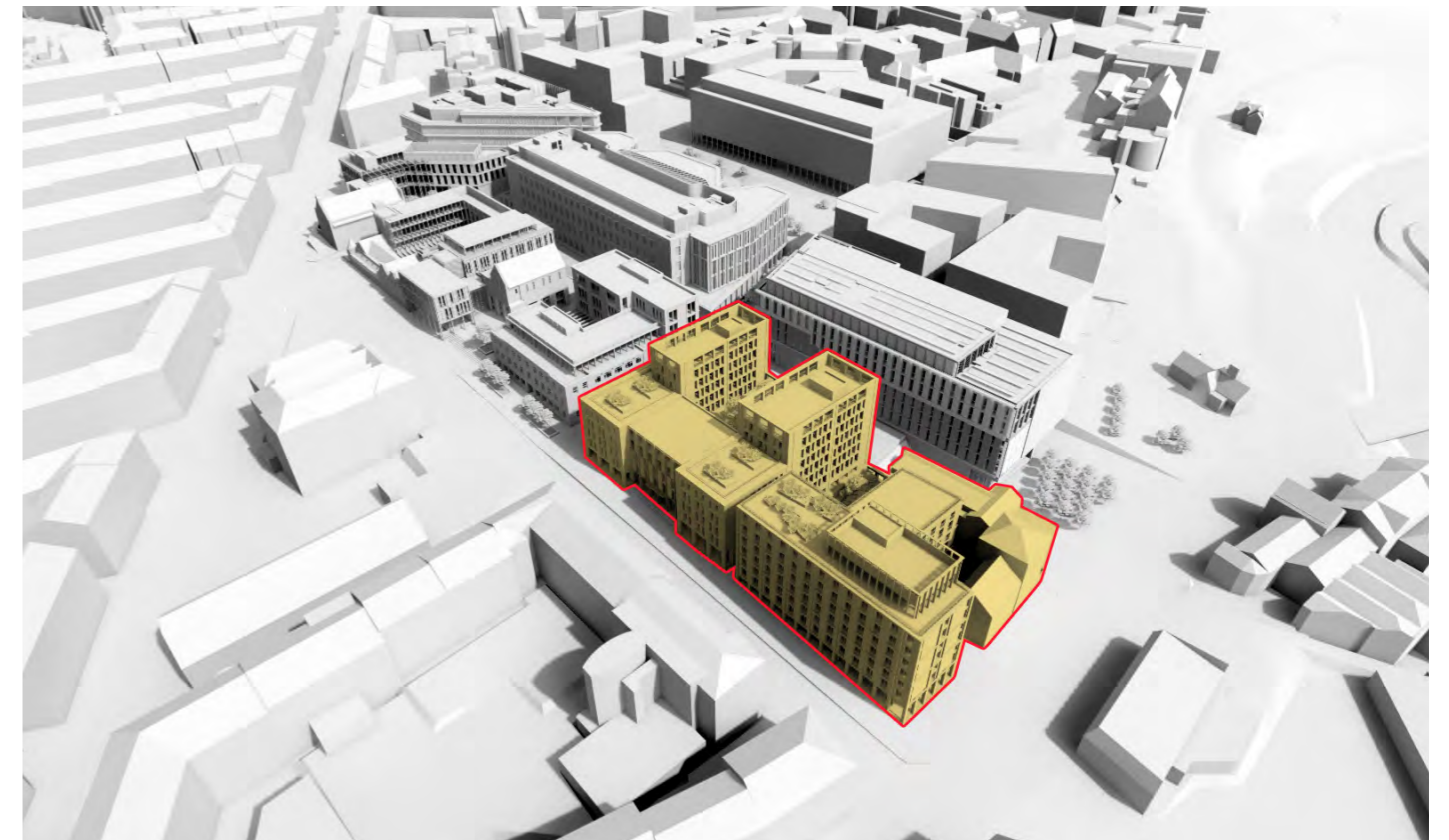
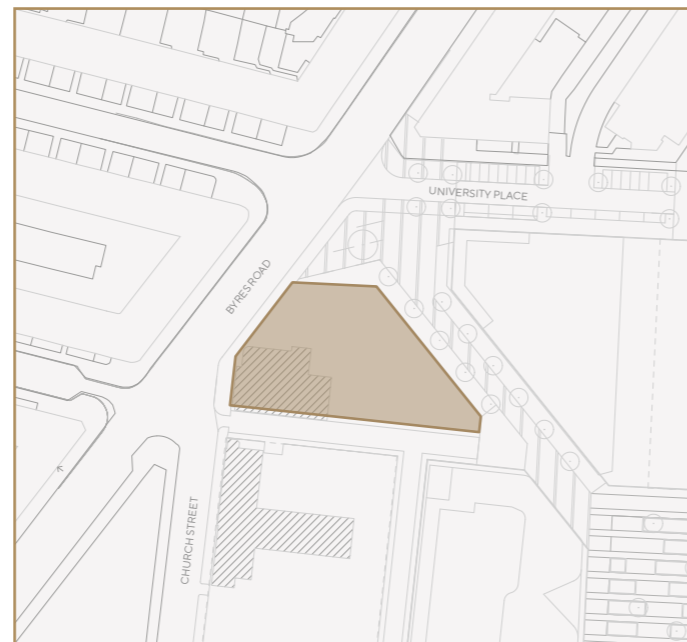


## PLOT J

Plot J is situated on a new threshold and a primary gateway into the campus at the junction of Byres Road and University Place where a new public square is planned. The total plot area extends to circa 0.47 acres and could accommodate a building extending upto 52,000 sqft.

The site development will provide a combination of new build and refurbished heritage accommodation in the form of the original pathology building and museum known as The McGregor Building.

The building will form the gateway building to the west of the new campus and it is envisaged that it will provide a range of uses including leisure, retail and commercial.





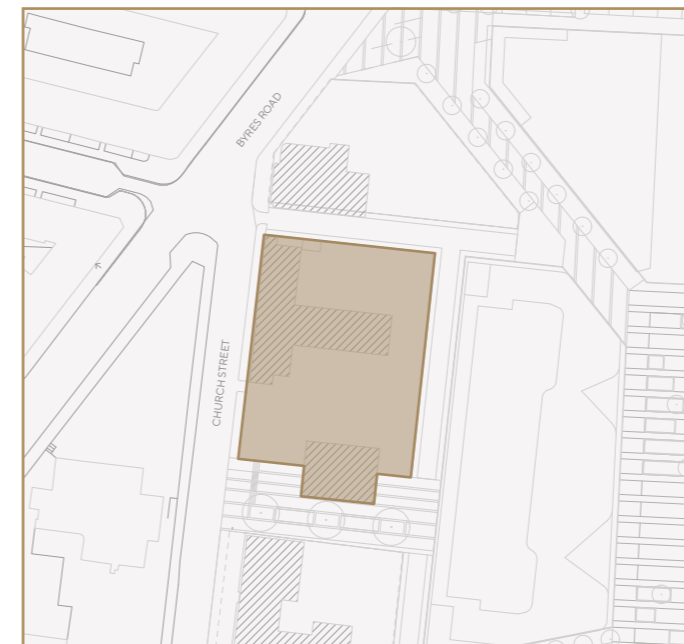
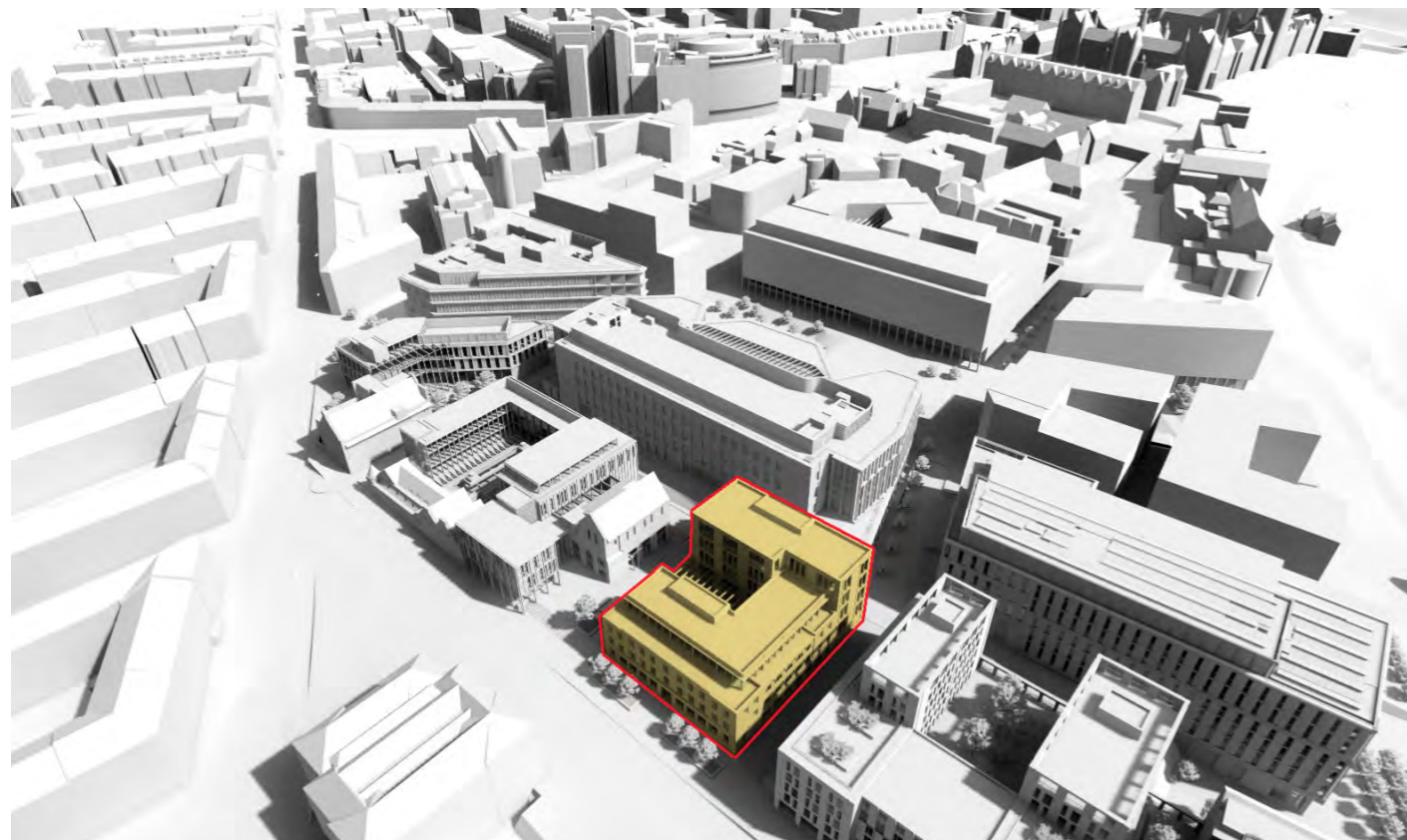
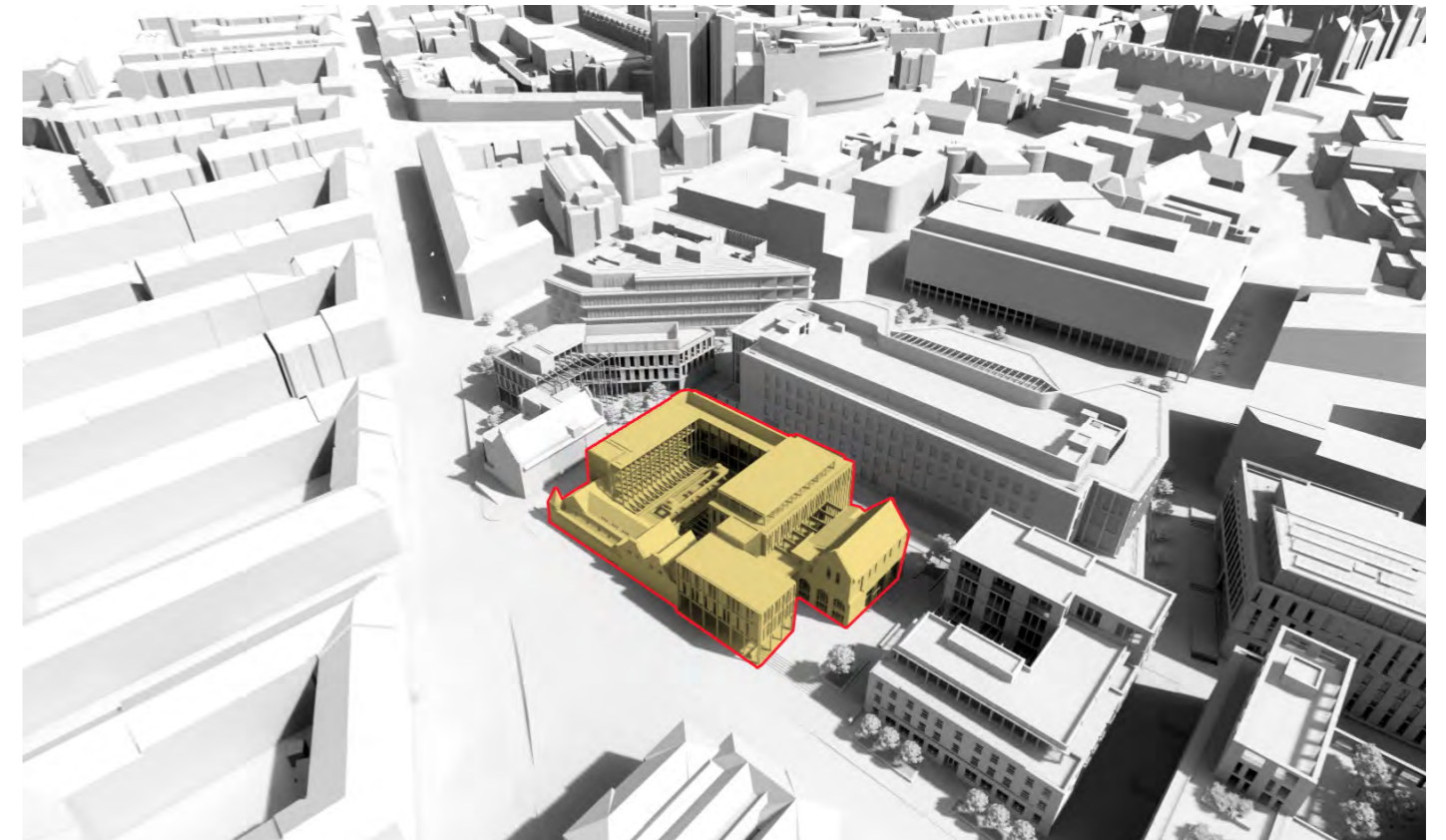
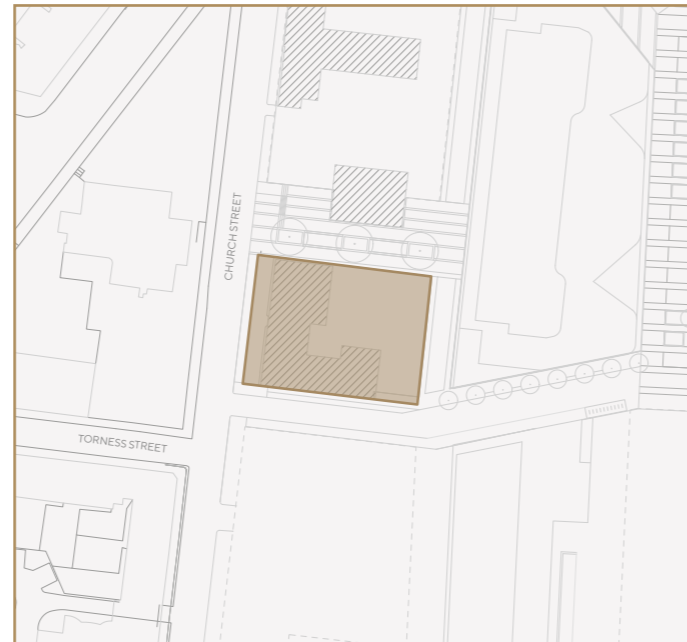
# Mixed-Use Quarter and Innovation Zone

## PLOTS G&H

Plots G&H have prominent frontage along the east side of Church Street and contain a number of heritage buildings of considerable significance identified for refurbishment within the masterplan.

These include the Outpatients Building and the Tennant Institute (both category B listed) as well as the Alexander Elder Memorial Chapel.

These plots are envisaged as a creative Innovation Zone of new buildings and small urban spaces.



The two plots taken together create a unique combination of refurbished heritage buildings with new infill buildings / extensions. These are likely to provide office type spaces in the upper floors and the lower ground floors will accommodate a mix of commercial uses.

The total site area extends to circa 1.3 acres and has the potential to deliver buildings extending upto 134,000 sqft.



# Future projects

As well as the seed assets on Church Street, the University may consider the redevelopment of other University owned sites and buildings with this JV Partner following the successful delivery of Church Street. These will most likely be developed for a range of residential and commercial uses.

Future development projects will potentially include:

1. The redevelopment of Lilybank carpark situated adjacent to Ashton Lane which is a prime leisure destination.
2. The redevelopment of the existing Adam Smith Building on Gilmorehill which is a prime residential location
3. The conversion and redevelopment of the St Andrews Building on Eldon Street adjacent to Kelvingrove Park which is a prime residential and leisure destination.

# Sustainability and social impact

The development of a Mixed-Use Quarter and Innovation Zone will allow the University to address some of the key objectives contained within "Glasgow Green" which forms the University's response to the Climate Emergency.

It is envisaged that the proposed development will in all regards be seen as an exemplar project in terms of design, materials, sustainability, energy use and the wider social benefits for the people of Glasgow.

The successful joint venture partner will be required to clearly demonstrate that they share the University's values and their ability to deliver a quality scheme which matches the University's own world changing aspirations.





# JV Proposition

The University is seeking a JV Partner with the financial means and relevant experience to assist the University in realising their vision for the Mixed-Use Quarter and Innovation Zone.

The Partner must be able to:

- demonstrate a long-term partnership approach through all phases of the delivery of the site.
- provide a high-quality, experienced team which is capable of delivering the University's strategic objectives; and
- demonstrate they have the financial wherewithal to fund their equity commitments and to secure funding to ensure development is capable of taking place with the completed buildings then being retained and managed by the JV.

The Partner could be a single organisation or a group of organisations bringing together the necessary funding and expertise to deliver the site.

The University intends to establish a corporate Joint Venture with its selected Partner. The Joint Venture will be responsible for:

- developing the Masterplan for the site.
- securing detailed planning permission(s) for the buildings.
- designing, funding, procuring, and delivering all remaining infrastructure works on a site-wide basis.
- undertaking direct development of plots with the intention of retaining the completed buildings as investment assets.
- securing occupiers; and
- managing and maintaining the site on an ongoing basis.

The University requires a funding structure that will not result in the consolidation of the Joint Venture on the University's Statement of Financial Position.

The University will invest its land interests for the site into

the Joint Venture. It does not propose to provide additional cash resources beyond the value of its land and so requires the Investor Partner to fund or source funding for all the development costs, excluding land.

The University expects its equity stake in the Joint Venture to be proportional to its investment in the joint venture, via its land interests (to be transferred by way of long lease with the University retaining the freehold). The University expects to have a minimum equity stake in the Joint Venture of 25%. The University is willing to consider options for the timing of the drawdown of land, including whether this is done as a single transfer or whether land is drawn down on a plot-by-plot basis. The University requires the Partner to provide any upfront working capital of the Joint Venture until draw down of the land.

There will be no cash commitment or guarantees provided by the University by way of long-term annuity style leases for example.

The University envisages that the site will be developed on a phased basis by plot in accordance with the agreed masterplan, developed and adopted by the Joint Venture.

It is envisaged that Joint Venture will establish separate Plot SPVs for the development of each plot, which will allow ring-fenced third-party debt to be secured if required. It is currently envisaged that each Plot SPV will be wholly owned by the Joint Venture, however the University is open to other potential solutions.

The University have agreed to share with the Scottish Government a proportion of some of the financial upside which may potentially be generated by limited types of commercial development transactions in certain circumstances over a pre-determined period. The JV arrangements may or may not be relevant to this previous commitment by the University, depending on how the JV progresses, and the University will be responsible for liaising with the Scottish Government on how to address the obligations.

## Scotland

SCOTLAND HAS A POPULATION OF AROUND

5.45m

SCOTLAND'S GDP IS ESTIMATED AT

£166.8bn

SCOTLAND HAS

4.2%

UNEMPLOYMENT RATES, WHICH ARE SOME OF THE LOWEST IN EUROPE

SCOTLAND HAS

3

UNIVERSITIES (EDINBURGH, GLASGOW AND ST ANDREWS) THAT ARE AMONG THE TOP 100 QS WORLD UNIVERSITY RANKINGS 2022

THERE ARE AROUND

364,000

PRIVATE SECTOR ENTERPRISES CURRENTLY OPERATING IN SCOTLAND

AN ESTIMATED

99%

OF THESE COMPANIES ARE SMALL OR MEDIUM SIZED ENTERPRISES

MORE THAN

half

OF THE SCOTTISH POPULATION UNDERTAKE FURTHER EDUCATION

SCOTLAND HAS THE

highest

PERCENTAGE OF INTERNATIONAL STUDENTS IN THE UK



# Business in Scotland

Scotland is the most attractive location in the UK outside of London for foreign direct investment according to the EY Attractiveness Survey 2021.

Scotland's top export industries are:

FOOD & DRINK

£6.3 bn

OF WHICH WHISKY ACCOUNTS FOR £4.7 BN

REFINED PETROLEUM

£4.0 bn

PROFESSIONAL, SCIENTIFIC & TECH

£3.4 bn

FINANCE & INSURANCE

£2.2 bn

MINING & QUARRYING

£1.9 bn

Scotland is home to 140 Fintech companies and has been voted the best European place to start a tech business.

Many of the world's most respected financial institutions have technology functions in Scotland. The growth in Scottish financial services recently outstripped London with 161,000 employed in financial and related professional services.



## DIGITAL, TECH AND 5G

Scotland's data, digital and technology industries are leading the commercial development of technologies like 5G artificial intelligence (AI) and quantum computing. This is shown by Scotland's drive to achieve net zero greenhouse emissions and its ambition to capture £4 billion of the global space sector by 2030.

Scotland's thriving data sector is set to be worth £20 billion over the next 5 years. Many of Scotland's data centric small and medium enterprises can be found developing the latest platforms and solutions for financial health and manufacturing sectors.



## LIFE SCIENCE

Total turnover generated by Scottish Life Sciences companies grew from £4.5 billion in 2014 to £6.6 billion in 2018. Employment in this sector is steadily increasing to 40,000 people and with almost one quarter of business enterprise research and development spend within this sector, Scotland is fast becoming one of the world's most dynamic local clusters for life sciences.

As a result the life sciences sector in Scotland is defined as a priority sector of economic significance by the Scottish Government and is therefore fast becoming one of the most effective places to develop innovations and commercial enterprises.

The life sciences industry in Scotland:

- produces 70% of media for bio-manufacturing in Europe
- is responsible for over 50% of Europe's bio-safety testing
- is home to 2 out of 6 UK British Heart Foundation Centres of Excellence
- hosts 2 cancer research UK centres looking at developing new drug targets
- has the largest concentration of animal health and agricultural research in Europe



## SPACE

Scotland is the no.1 European manufacturer of satellites with Glasgow producing more than anywhere else in the world outside of California. With more than 130 organisations engaged in space related activity, Scotland's space sector grew by 27% from 2016 to 2018, employing more than 8,000 people in upstream and downstream activities.

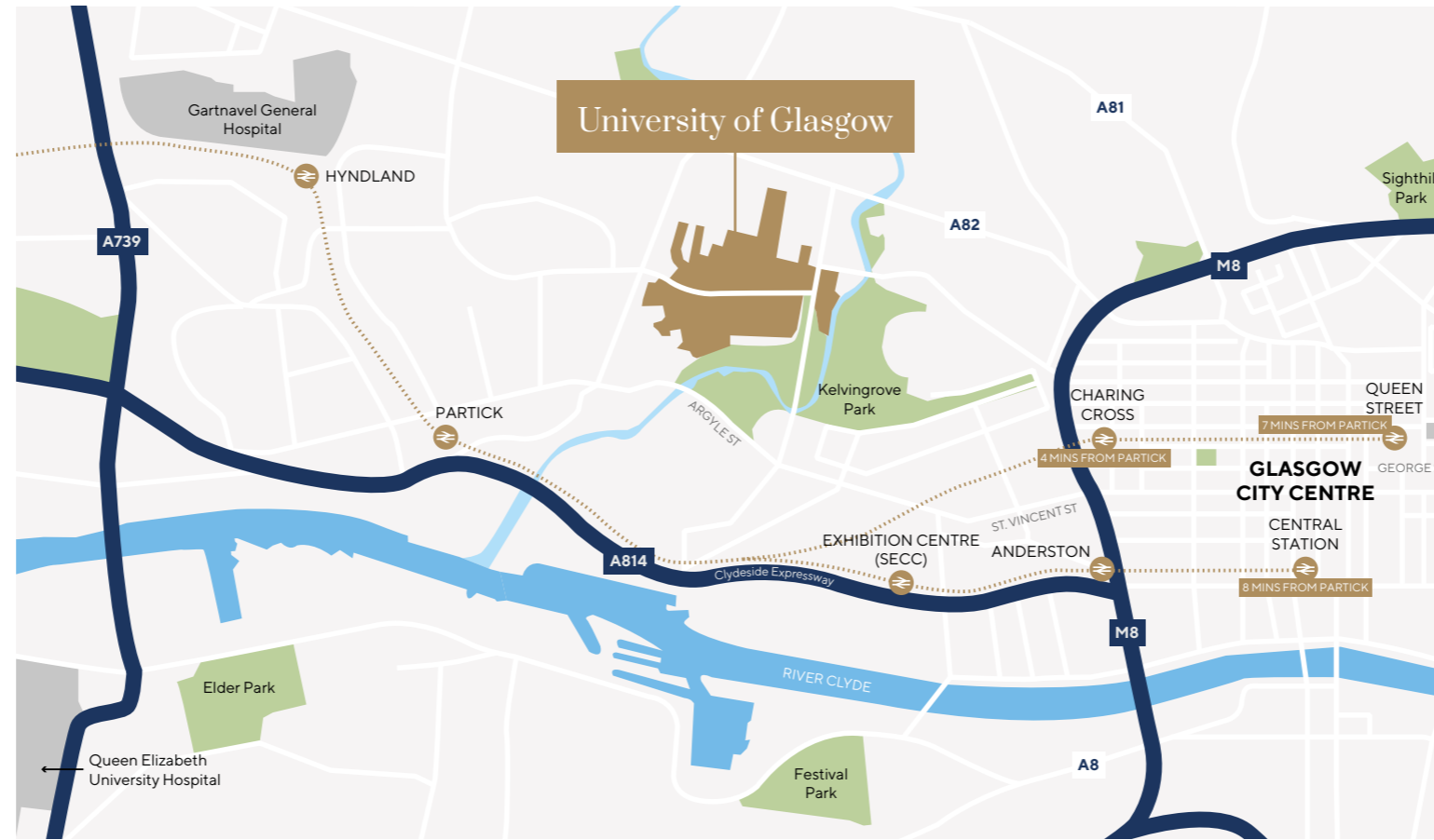
Scotland also has the very first rocket manufacturing facility in the UK plus expertise in space manufacturing in application capabilities. Scotland has three potential low earth orbit strategic vertical launch sites and is in the final stages of building the very first orbital space port in Europe.



# Glasgow

## COMMERCIAL CAPITAL OF SCOTLAND

- Glasgow is Scotland's largest city with a population now at 630,000 and further growth expected to outpace Scotland the UK over the next ten years. Glasgow sits at the centre of a metropolitan region of 1.8 million people.
- Glasgow is the powerhouse of the Scottish economy and the business, cultural, sporting and academic heart of Scotland and one of Europe's most vibrant and cosmopolitan cities.
- Glasgow City Council has recently approved its City Centre Living Strategy which aspires to double Glasgow's population from 20,000 to 40,000 by 2035.
- While all regions of the UK saw economic output drop during 2020, Glasgow is forecast to recover faster than both the Scotland and UK averages. Glasgow's GVA is currently worth £20.32bn and is expected to grow to £24.42bn by 2030.



## KNOWLEDGE AND GROWING ECONOMY

- Glasgow is consistently ranked in the top 100 most innovative cities in the world. It has a large financial services industry, yet it has been increasingly expanding into the new industrial revolution including sectors such as quantum engineering, low carbon industries and financial technology.
- Glasgow has seen many high profile businesses locate to the city due to the well-educated workforce, quality of life and cost effective office space. Office take up for 2018 and 2019 totaled 2.25m sq.ft. which was 70% higher than the five year average. Occupiers taking major new HQ buildings include JP Morgan Chase, Barclays, Morgan Stanley, Clydesdale Bank and HMRC.
- Glasgow has a well-educated and flexible work force. The city has nearly 130,000 students studying in higher education. It also benefits from a high graduate retention rate, sitting at 46.1%, thus placing it within the top five within the UK. Glasgow is firmly establishing itself as a knowledge city.

## CULTURED AND CREATIVE

- COP26 is set to become the latest high profile event to be held in Glasgow and is illustrative of the world class conferencing and events infrastructure that was delivered for the 2014 Commonwealth Games.
- The Scottish Events Campus and the SSE Hydro arena continue to excel with the Hydro regularly featuring in the busiest concert venues in the world.
- Glasgow is a UNESCO City of Music with over 130 music events each week and is host to two of the finest Civic Art Collections in Europe - the Burrell Collection & Kelvingrove Art Gallery & Museum.

## ENVIABLE LIFESTYLE

- Glasgow is ranked the third highest in the UK for Quality of Life (Mercer 2019 City Rankings).
- The city has more green space per mile than any other UK city and is the number one retail centre outside London.
- The Great Scottish Outdoors - stunning scenery of the Clyde Coast & The Highlands is just 45 minutes drive away.





# Glasgow West End

- The University of Glasgow campus is situated in the heart of the West End which has an array of restaurants, bars, boutique shops and cultural attractions. It is one of Glasgow's most popular areas to live, relax and socialise.
- The West End offers plenty of green spaces, such as Kelvingrove Park and the Botanic Gardens. Located just a short walk from the main University campus, the Botanic Gardens provide a tranquil blend of formal gardens and woodland walks, as well as Kibble Palace glasshouse.
- Kelvingrove Park is a classic Victorian park by the River Kelvin, offering sporting facilities including bowling greens, tennis courts and a skateboard park. Furthermore, the park now boasts the 2,500-capacity Kelvingrove Bandstand and Amphitheatre, which is host to a variety of open air events including live music and dance, theatre and spoken word recitals.
- Connectivity to Yorkhill Quay, the West End and the University campus will be further improved by the construction of a new footbridge across the River Clyde (linking Govan and Glasgow Harbour) which is being funded by City Deal. Construction is due to commence in 2021 and the bridge is due to open to the public by 2022.
- Finnieston, one of the most exciting and dynamic areas in Glasgow is within walking distance of the University campus. Recently proclaimed as 'the hippest place to live in the UK' by The Times, Finnieston has emerged as a bustling social hub, connected directly to the city centre, and surrounded by key leisure, tourist and business activity.
- The development of Glasgow University's mixed-use campus is part of a wider initiative to establish Glasgow's Riverside Innovation District (GRID). The GRID is already home to the world-leading Clinical Innovation Zone based around the Queen Elizabeth University Hospital which is the largest teaching hospital campus in Europe.
- The GRID will also deliver a 5G enabled smart campus at the University of Glasgow which will act as an urban laboratory for 5G technology. The establishment of the GRID compliments the emerging cultural quarter based around the Kelvingrove Museum & Art Gallery, the world-leading Scottish Events Campus and the vibrant media hub at Pacific Quay, which includes the headquarters of BBC Scotland.







# University of Glasgow

Founded in 1451, the University of Glasgow is the 4th oldest in the English speaking world and is ranked in the top 100 of the world's universities.

- The University of Glasgow is ranked 73rd in the world in the QS World University Rankings 2022.
- Is in the Top 100 in the World (Times Higher World University Rankings 2021).
- Welcomes students from 147 countries worldwide.
- Has over 29,000 undergraduate and postgraduate students.
- Has a global community of 219,000 alumni.
- Is a major employer in the city of Glasgow with 8600 staff
- Is a member of the prestigious Russell Group of Leading UK Research Universities.
- Has strategic partnerships with the University of Columbia, Hong Kong, McGill and Sydney.
- Has 420 study abroad and exchange partners.
- Is home to the Hunterian Museum & Art Gallery, one of the leading university museums in the world.
- Includes amongst its alumni, the father of economics Adam Smith, renowned physicist and engineer Lord Kelvin and the University's Chancellor, olympic gold medallist Katherine Grainger.



The University's strategy outlined in World Changers Together: World Changing Glasgow 2025 aims to ...

Build a more Sustainable Future

Create a Fairer Society

Reimagine the Learning Experience

Diversify the Student Body





# Campus Development Programme

The Campus Development Programme and the delivery of new world class teaching and research buildings will play a key role in delivering the University's strategic objectives. The redevelopment of the former Western Infirmary site enables the University to improve accessibility and permeability through their new campus including the provision of new civic space and a new public square.



## JAMES MCCUNE SMITH LEARNING HUB

The James McCune Smith Learning Hub on University Avenue costing £90m was opened in April 2021. This key, Hub building will provide state-of-the-art learning facilities, and further enhance Glasgow's reputation as a welcoming, accessible and world-renowned destination for learning and is the first building to be delivered through the Campus Development Programme.

The James McCune Smith Learning Hub is an inspirational and diverse learning space, allowing undergraduate and postgraduate students access to advanced and useful learning spaces.



## ARC - ADVANCED RESEARCH CENTRE

The ARC, the Advanced Research Centre, will be the creative and collaborative heart of research at the University of Glasgow. The £113 million building will help bridge the boundaries between research, cross subject collaboration and true societal impact. The ARC will open in Spring 2022.

The ARC will bring world leading researchers together in a building specifically designed to break down organisational structures and facilitate collaboration. It will be home to academics working on global challenges across five broad themes: Creative Economies & Cultural Transformation, Digital Chemistry, International Development, Quantum and Nanotechnology, and Technologies Touching Life.

The ground floor of the ARC will be open to the general public to showcase the excitement and relevance of the University's research. It will offer a mix of multi-purpose spaces for events and conferences, as well as team building and networking activity and public engagement.



## CLARICE PEARS

The Clarice Pears building will house the University's Institute of Health and Wellbeing, and will allow staff from ten different sites around the city to come together in a single innovative facility.

The Clarice Pears building will host three multi-disciplinary research themes: determinant of health and health inequalities; data science; and solutions-focused research. The facility will significantly enhance the Institute's reputation and influence within the sector, increasing postgraduate capacity, attracting and retaining high-calibre staff. The building will be used to host joint seminar series, workshops and knowledge exchange events, as well as developing new multi-disciplinary post-graduate courses.

The £50 million building will be the third delivered through the Campus Development Programme and is expected to complete in Spring 2022.



## POSTGRADUATE TEACHING HUB & ADAM SMITH BUSINESS SCHOOL BUILDING

The building will be a unique, multi-disciplinary home for students studying for postgraduate master's degrees and provide a world-leading facility for the Adam Smith Business School.

The home for the Adam Smith Business School will support its analytical, entrepreneurial and sustainable mission in business and policy, with Adam Smith's legacy inspiring our colleague in developing their thinking and curiosity for businesses, organisations and economies. The £86 million building will be the fourth delivered through the Campus Development Programme and is expected to complete in Autumn 2023.



# Planning Permission in Principle

In February 2017, the University of Glasgow was granted Planning Permission in Principle (16/01208DC) in respect of a Mixed-use University Campus Development as follows.

## ACADEMIC BUILDINGS

- Academic and research buildings extending to 882,000 sq.ft. (82,000 sq m.)
- Teaching and learning buildings (Class 10) (up to 65,000 sq m.);
- University research buildings (Class 4) (up to 17,000 sq m.);

## COMMERCIAL AND RESIDENTIAL BUILDINGS

- Commercial research and development / offices (Class 4) (up to 18,000 sq. m); 193,752 sq.ft.
- Retail shops (Class 1) (up to 4,000 sq m); 43,056 sq.ft.
- (Retail comparison 1,400 sq m., retail comparison 2,600 sqm in units of 93 – 558 sq m.)
- Financial, professional and other services (Class 2) (up to 500 sq m); 5,382 sq.ft.
- Food and drink (Class 3) (up to 2,500 sq m); 26,910 sq.ft.
- Hotels (Class 7) (up to 12,500 sq. m); 134,550 sq. ft.
- Sports and recreation facilities (Class 11) (up to 500 sq. m); 5,382 sq.ft.
- Day nursery (Class 10) (up to 500 sq. m); 5,382 sq.ft.
- Creche (Class 10) (up to 100 sq. m); 1076 sq.ft.
- Residential flats (mainstream or student) (Sui Generis) (up to 14,500 sq. m); 156,078 sq.ft.
- Data centre (Class 4) (up to 3,000 sq. m); 32,292 sq.ft.







### KEY ATTRACTIONS / DRIVERS

1. G12 - Prime residential
2. G3 - Prime residential
3. Sauchiehall Street
4. Kelvingrove Art Gallery and Museum
5. Hunterian at Kelvin Hall
6. Finnieston
7. New Barclays Bank Campus
8. SECC Events Campus and SSE Hydro Arena
9. Riverside Transport Museum
10. BBC Scotland
11. Kelvin Living - 424 units PRS BTR scheme in planning

### CONNECTIVITY

#### TRAIN

Partick train station is one of the busiest stations within the Strathclyde rail network, served by all services on the Argyle Line and North Clyde Line. It is the closest station to central Glasgow with direct services to both Glasgow Central and Glasgow Queen Street main line stations, with average journey times of seven minutes.

#### UNDERGROUND

The University is served by two underground stations. Hillhead to the north of the campus is located on Byres Road and Kelvinhall to the west of the campus is accessed from Dumbarton Road. They provide easy access into the city centre (4 stops to Buchanan Street / 6 minute journey).

#### CYCLE

Glasgow University is a 3.0m (18 minute) cycle ride into Glasgow City Centre via National Cycle Route 7 along the River Clyde. NCR7 also links Glasgow's West End to Balloch in Loch Lomond and the Trossachs National Park.

#### BUS

Partick is also served by local bus routes, with services to Glasgow City Centre (No. 77), Queen Elizabeth University Hospital (No. 16) and Braehead Shopping Centre (No. 90).

#### CAR

The Clydeside Expressway (A814) which provides direct access into the City Centre. The Clydeside Expressway also allows easy access onto the M8, M74 and M77.

#### PLANE

Glasgow Airport is less than 15 minutes away (7 miles / 11.3 km) by car via the M8.



# Glasgow West End Retail and Leisure Market

## WEST END RETAIL PROVISION

The West End is a highly desirable residential location for professionals, families and students, benefiting from close proximity to Glasgow City Centre and its availability of traditional, spacious and good quality accommodation. It is this eclectic mix of residents that has allowed Glasgow's West End to evolve organically as a strong destination for leisure with a predominantly strong local offer.

Retail is dominated by independents with emerging demand from national multiples but is hindered by their ability to secure the right sized accommodation. This has restricted the wider expansion of quality retail within the West End which is therefore focussed on the two main arterial routes of Byres Road and Great Western Road.

As customers and workers have steered clear of their usual commutes into the city centre, the retail market in the West End of Glasgow has been boosted by local demand. Therefore, despite the obvious headwinds facing the retail sector, rental levels in the West End of Glasgow have been comparatively resilient throughout the pandemic.

Demand amongst new independent brands has also remained strong highlighting the West End as not only a resilient location, but a destination of choice for new and emerging brands. New openings on Byres Road in the last year include Finnieston Clothing at 305 Byres Road paying £67.54 psf ITZA, McGraff Barbers at 284 Byres Road paying £71.27 psf ITZA and Myles & Co at 261 Byres Road paying £63,26 psf ITZA. Joos, a new concept juice bar operated by Glasgow-based restaurateur Nico Simeone is also set to open at 331-335 Byres Road paying a rent reflecting £63.26 psf.

## LEISURE PROVISION

With a strong night time economy and a catchment that is time rich with disposable income, leisure is an important pass time for core West Enders as well as attracting a wider pull. The quality of the leisure offer attracts a wider catchment beyond than that of the retail offer. Ashton Lane is the main destination but there are many other locations along and off Byres Road, Great Western Road, Hyndland Road and now Finnieston providing a sophisticated and diverse mix of restaurant offers.

The Grosvenor Cinema offers a three screen boutique cinema and Oran Mor offers a small music venue but otherwise the main attraction is the restaurant offer. There is no purpose built leisure destination within the West End and therefore all demand has organically grown hence the prominence of independents.

In the West End, prime Food and Beverage rents have remained resilient. This reflects how the operators rely less on commuters and tourists and instead cater for its immediate catchment of residents, many of whom have been working from home and have chosen to dine local. West End rents are expected to quickly recover to their pre- pandemic levels.





# Glasgow Student Residential Market

The University of Glasgow has undertaken a comprehensive review of their student accommodation and is now looking at ways to modernise and improve earlier generations of its existing stock on sites that are closer to the main University campus.

## GLASGOW'S STUDENT POPULATION BREAKDOWN

Glasgow has the 4th largest full time student population in the UK, with The University of Glasgow the 12th largest university in the UK in terms of full time student population.

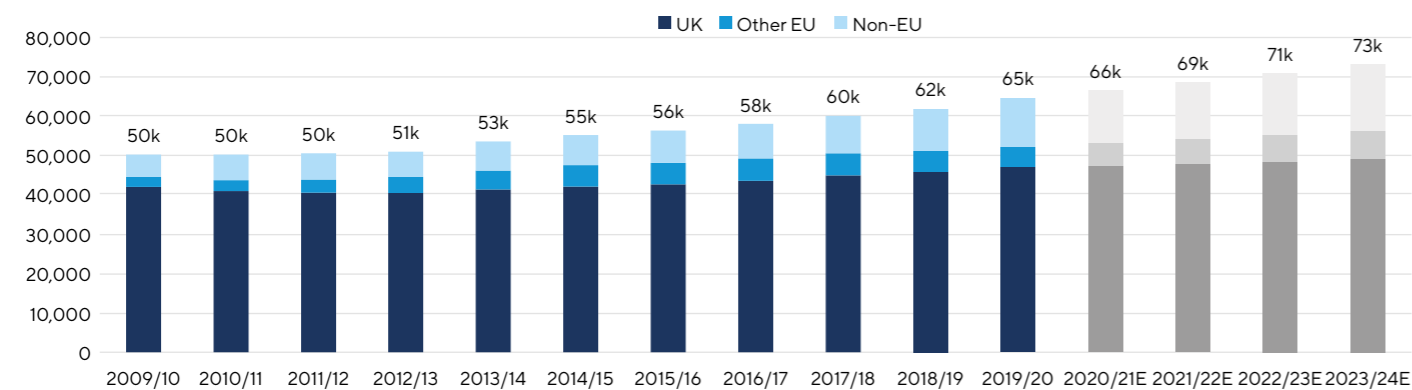
Institution <sup>1</sup>	Total FT Students		Breakdown by Domicile			Breakdown by Type of Study		Times Good University Ranking 2021	QS World Ranking 2021	Appl. p/ place
	#	%	UK	EU	Non EU	UG	PG			
The University of Glasgow	27,285	35%	63%	11%	26%	68%	32%	14	77	7.5
The University of Strathclyde	19,700	25%	78%	5%	17%	71%	29%	23	300	6.7
Glasgow Caledonian University	14,210	18%	85%	6%	9%	86%	14%	75	801-1,000	5.9
Glasgow School of Art	2,245	3%	63%	13%	24%	72%	28%	-	-	-
Royal Conservatoire of Scotland	1,110	1%	65%	15%	20%	81%	19%	-	-	-
<b>Total</b>	<b>64,550</b>	<b>100%</b>	<b>73%</b>	<b>8%</b>	<b>19%</b>	<b>73%</b>	<b>27%</b>	-	-	-

<sup>1</sup>Excludes The University of The West of Scotland

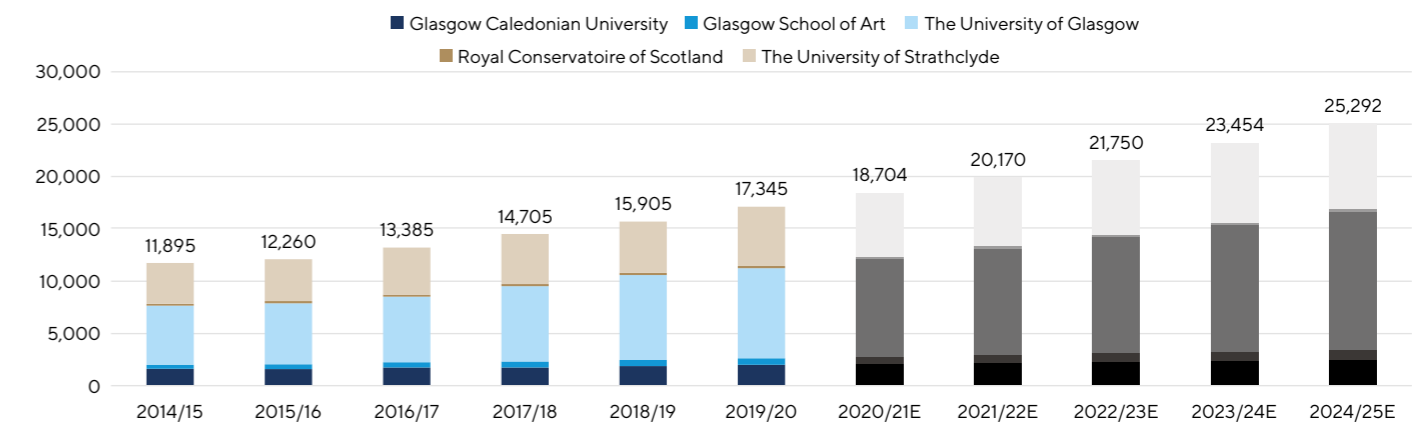
Glasgow has an undersupply of purpose built student accommodation (PBSA), currently experiencing a 3.35 student to bed ratio and with 31% being more basic university accommodation. Over 45,000 full time students in the City are unable to access PBSA.

Glasgow has a strong compound annual growth rate (CAGR) over the past 10 years of 2.56%, with student numbers increasing by c. 14,400 in the 10 year period. The growth has been underpinned by consistent demand from domestic students and significantly growing demand from international students.

## FULL TIME STUDENT GROWTH - HISTORIC & FORECAST

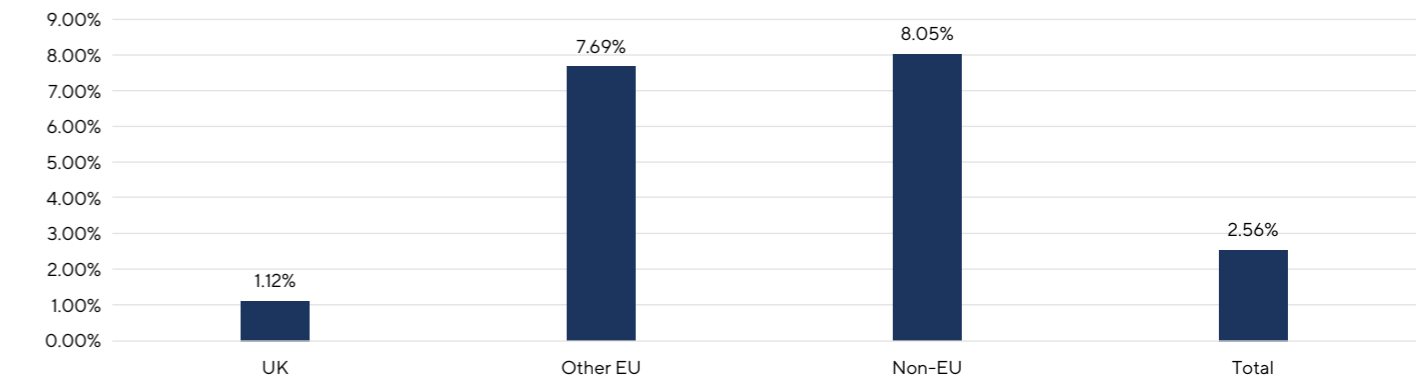


## FULL TIME POSTGRADUATE STUDENT GROWTH - HISTORIC & FORECAST



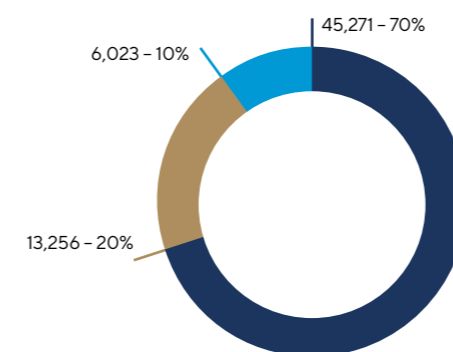
The projected growth in postgraduate students are forecast to be a significant driver of demand for student accommodation in the period upto 2025.

## FULL TIME STUDENT 10 YEAR CAGR



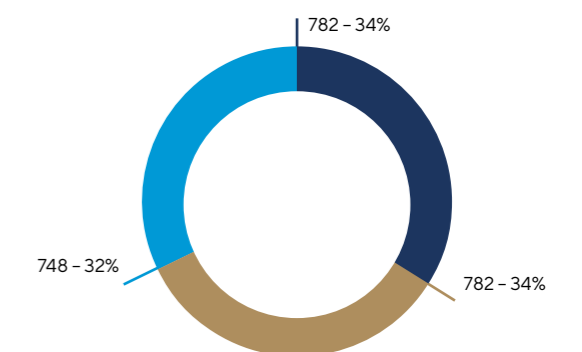
## CURRENT SUPPLY AND DEMAND DYNAMICS

● Private ● University ● FT students unable to access PBSA



## PLANNING PIPELINE

● Application ● Permission ● Under Construction





# Glasgow Student Residential Market

## EXISTING SUPPLY OF STUDENT ACCOMMODATION ADJACENT TO THE UNIVERSITY CAMPUS





# Glasgow Offices, Innovation and Tech

## CITY CENTRE

The Glasgow city centre office market is considered part of the "Big Six" office markets in the UK with total office stock extending to 13.8M sq ft. The city centre take-up in 2020 fell to an historic low due to the pandemic, an inevitable trend replicated across all the regional office markets.

The key take-up statistics for Glasgow are:

TOTAL TAKE UP IN 2019

850,000 sq ft

TOTAL TAKE UP IN 2020

346,000 sq ft

TOTAL TAKE UP 5 YEAR AVERAGE

804,000 sq ft

GRADE A TAKE UP 2019

562,000 sq ft

GRADE A TAKE UP 5 YEAR AVERAGE

484,000 sq ft

## WEST END

Historically, Glasgow's West End has not provided modern commercial accommodation to satisfy demand from office based occupiers as development has been predominantly focussed on the residential markets.

The planning permission granted for the redevelopment of the former Western Infirmary site enables upto 193,000 sqft of commercial research and development / offices (Class 4) to be delivered. This offers an opportunity to create a new commercial hub in the form of an Innovation Zone on the new University campus.

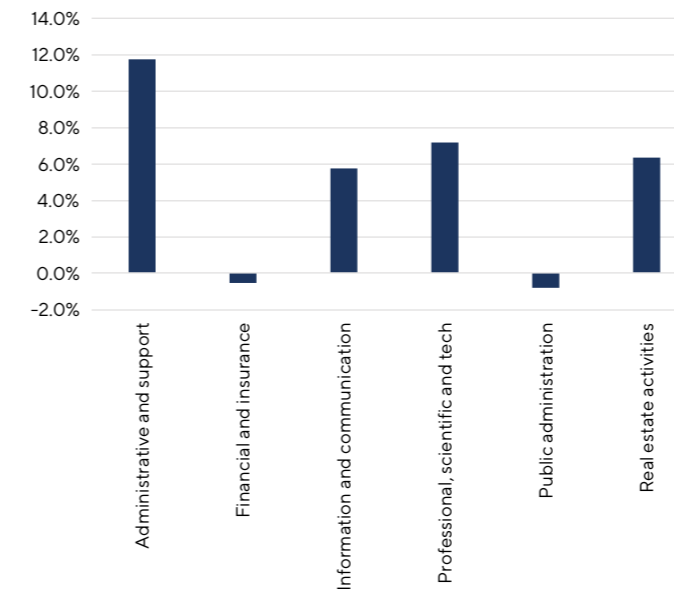
## INNOVATION ZONE

The purpose of the Innovation Zone is to build a new eco-system that is an engine for growth in the Glasgow City Region and becomes a major contributor through new sectors, clusters and industries to the prosperity and well-being of Glasgow. The Innovation Zone will provide a broad range of commercial and supported accommodation available to early stage start-ups, spin outs and scale-ups.

The Innovation Zone forms part of a wider Innovation District in Glasgow that extends from Church Street across the Clyde River into Govan and includes the Queen Elizabeth University Hospital.

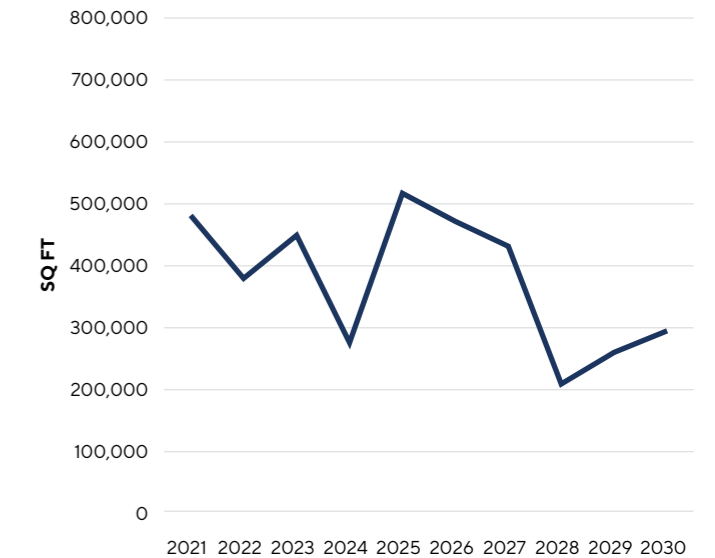
## EMPLOYMENT GROWTH

The professional, scientific and tech sectors are projected to deliver the second highest rate of employment growth in Glasgow over the period to 2025.



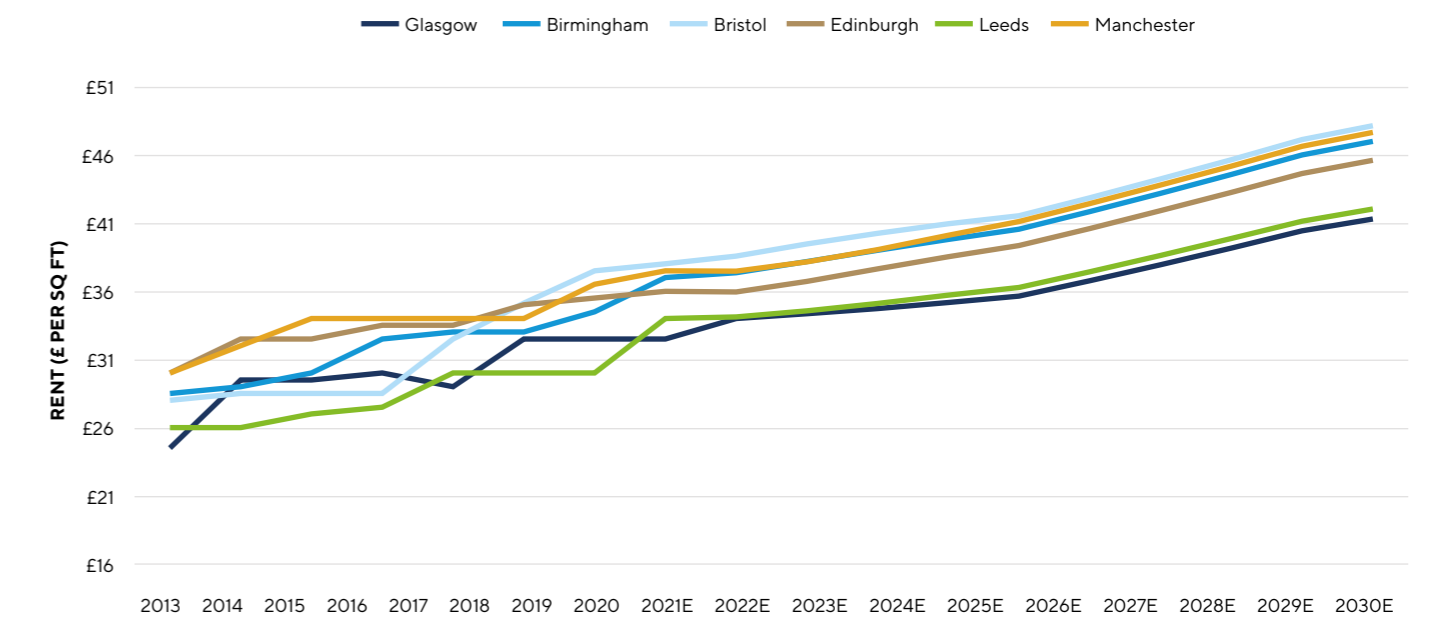
## DEMAND

The estimated current demand for accommodation in the Glasgow office market is circa 800,000 sqft. Over the next 10 years there is the potential for requirements extending in total to 3.7 million sqft of accommodation.



## RENTS

The current headline rent for new Grade A space in Glasgow is established at £34.50 per sq ft. This offers comparatively good value for money compared to other regional UK markets.





# Glasgow West End Residential Market

Glasgow's residential market remains strong due to its access to green spaces, resilient local economy and value for money compared to cities south of the border.

The G12 postcode within which the University is situated is one of Glasgow's premium residential postcodes. Nearly 90% of million pound sales in Glasgow over the last 10 years have taken place in the city's West End and Park areas (Savills, 2021).

The average transaction price increased by 16%, from £294,573 during the 12 months ending May 2020 to a 10-year high of £341,557 during the 12 months ending May 2021.

Despite new build supply constraints, the overall number of transactions increased by 48%, from 527 during the 12 months ending May 2020 to 782 during the 12 months ending May 2021. The best performing new build schemes are now generating capital value rates of over £600 per sqft.

The Build to Rent market in Glasgow is now firmly established with schemes funded by both operators and institutional investors currently under construction. The most advanced of these residential developments is Buchanan Wharf which was funded by L&G. This scheme comprises 324 units and is located adjacent to the new Barclays office campus. The funding yield for PRS BTR in Glasgow is established at 4.75%.

In close proximity to the University campus, a 424 Build to Rent development is planned on Beith Street opposite the Partick Transport Hub. This proposed scheme provides a range and mix of different unit sizes across four residential blocks.



# Glasgow Hotel Market

Glasgow's reputation as a tourism, convention and events centre is well founded. Glasgow is the 6th most visited UK city by international tourists and ranks ahead of Bristol, Oxford, Cambridge, Brighton, Cardiff, Bath, Inverness and Newcastle.

- The Glasgow hotel market comprises 143 hotels with a total of 9,222 guest rooms (including serviced apartments).
- Existing room supply is concentrated in the upscale class segment with a 28% share of total supply.
- The Economy class segment represents a further 25% of supply, followed by Upper Midscale class which represents 18% of total bedroom supply.
- There are a limited number of five star hotels, equating to 122 bedrooms.
- Serviced Apartments represent a 5% share of bedroom supply, equating to 434 bedrooms.

Glasgow is set to host the UN Climate Change Conference of the Parties (COP26) in November 2021, which will see thousands of delegates visiting Glasgow, with a number of conferences and events being held at the Scottish Event Campus (SEC). Glasgow was chosen to host the conference due to the city's commitment and experience in sustainability, as well as world-class facilities.

The majority of international tourists to Glasgow cited holidaying (41%) as the reason for their trip, while over a quarter visited friends and relatives (30%) and 21% were business travellers. In the same year, international tourists stayed for 3.3 million nights while UK visitors stayed for 3.8 million nights. On average, international visitors stay for 4.9 nights whilst UK visitors stay for 2.4 nights.

Glasgow's Tourism and Visitor Plan to 2023 sets out a clear direction for continuing to build the city's global profile as a successful tourist destination and is focused on increasing overnight leisure tourism visits by one million over the next six years.

The market has welcomed new entrants over the last four years. 2018 was a standout year and it included the opening of: Ibis Styles Glasgow West, Motel One, MOXY Merchant City, Native and Radisson Red.

The University of Glasgow drives demand for a significant number of hotel bedrooms in the immediate West End from visiting parents, student and academics. This demand for hotel rooms will be further increased with the development of the Advanced Research Centre and Adam Smith Business School. The development has consent for 134,000 sqft of hotel accommodation which could provide for both hotel and serviced apartment accommodation.





# University of Glasgow Procurement Process

To ensure compliance with our financial, legal and procurement obligations, the University will be progressing this exciting opportunity through Public Contracts Scotland.

If you are interested in participating further in this opportunity, please ensure that you are registered on the Public Contracts Scotland portal to enable you to obtain all the necessary information when this requirement will be published during October.

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## Further Information and Contact

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