

Appendix 1 – LGF Project Background Information

Name of Project – University of Essex, Parkside 3
Local Growth Fund value - £5m
Project Description
<ul style="list-style-type: none"> ▪ The University of Essex has a vision for the Knowledge Gateway for it to become a national centre of excellence for businesses in high-value, knowledge-based sectors linked to the University’s research expertise, employing over 2,000 people. This facility is intended to form the next logical development of the Knowledge Gateway, both providing further accommodation for growing businesses and enabling larger businesses to come to site for the first time, driving growth in the wider economy. ▪ This Project will be an extension of the Parkside Office Village on the Knowledge Gateway site which is already home to Parkside Phase 1, consisting of nine units, Parkside Phase 1a, consisting of three units and Parkside Phase 2, consisting of seven Units. Parkside Phase 1 completed in June 2014 and has been a significant success. Phase 1a completed in September 2016 and Phase 2 completed in November 2018. ▪ There are now 25 businesses located at Parkside Office Village, employing 270 people, of whom 34 are graduates or students of the University, demonstrating how the Knowledge Gateway is providing an effective mechanism for retaining highly skilled individuals within the local economy who would otherwise move away from the area post-graduation. Market interest in the units within Parkside Phase 2, comprising an additional 1,353 sq. m net internal area (14,571 sq. ft.), was strong and all the units were pre-let before opening. ▪ SELEP has previously provided Growing Places Fund (GPF) loan funding to support earlier phases of development at Parkside. This includes a £3.250m GPF loan to enable the initial phase of the SME business space as the University of Essex Parkside development. The £3.250m GPF loan has been repaid to SELEP in full. ▪ The aim of the Parkside Phase 3 development is to support growth in the region by providing high quality office space on the main campus of a world leading University, with the unique potential to attract and sustain high-value employment within the region. ▪ Previous developments have focused on start-up and smaller office units. Parkside Phase 3 has design flexibility where a single tenant could occupy a single unit in its entirety, or the space could be sub divided into 14 units. Through the development of this project, the Knowledge Gateway aspires to secure an anchor tenant occupying the entire unit. ▪ The delivery of the Project will, based on one single unit occupier or up to 14 office units with a total area of 3,775 sqm net and assuming an employment density of 12 sq m per FTE, create in the region of 300 jobs by 2022 ▪ Parkside Phase 3 aims; <ul style="list-style-type: none"> ▪ To leverage research expertise of the University of Essex more effectively, for the benefit of the local and regional economies.

- To create more jobs in the region, high-value employment opportunities which are under-represented within Essex economy
- To provide additional grow-on space to complement the current business eco-system available on the Knowledge Gateway, including the Innovation Centre which opened Spring 2019, further enabling the University to achieve its aim of developing Parkside into a technology cluster and SME hotspot
- To enable the Knowledge Gateway to become the 'location of choice' for innovative companies seeking business premises and innovation services to support their growth
- To stimulate and support University/business collaboration across the stages of the business cycle, from early-stage, small, and innovative businesses to larger, more established companies
- To facilitate close collaboration and interchange between business and academic researchers, graduates and placement students both in the University and through extended academic networks, nationally and internationally
- To facilitate recruitment of skilled graduates by businesses within the local economy
- To overcome a shortage of private investment in office space suitable for businesses within the knowledge economy
- To provide and facilitate access to business support to enable businesses on Knowledge Gateway to thrive
- To stimulate international collaboration and investment through SELEP, Essex County Council, Colchester Borough Council, academic, industry and other networks
- The business case over a 10-year period generates 300 jobs at a GVA per job of £43,200, which is the average for Colchester. The Project delivers present value benefits of £75.6m and a Benefit-Cost Ratio of 11.2:1.

Project Benefits

- The project will deliver a single four storey building with a total area of 4,772sqm (51,355sqft) gross.
- This can be offered as single tenant occupant or sub-divided in a multiple of ways providing a net total of 3,7775sqm (40,645sqft).

Link to Project webpage

<https://www.southeastlep.com/project/university-of-essex-parkside-phase-3-colchester/>