

The Crown Estate announces significant new partnership to provide vital workspace to support UK's science, technology and innovation ambitions

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The site of the former Debenhams in Oxford will soon be transformed into a c.100,000 sq ft life sciences, technology and innovation space in the heart of the city, as The Crown Estate partners with Oxford Science Enterprises and Pioneer Group to provide vital lab space in the region. The project represents an initial investment of c.£125 million by The Crown Estate, marking the start of a partnership that has a long-term ambition to invest up to £1.5 billion to support the UK's science, technology and innovation sectors.

JLL has acted as strategic advisor to The Crown Estate to facilitate this ground breaking new partnership with one of the world's leading builders of university spinouts, Oxford Science Enterprises, and UK specialist life science operator and venture builder, Pioneer Group beginning with its acquisition of the former department store site in Oxford.

A lack of available and suitable real estate, especially for early-stage businesses, has been identified as a key barrier to growth for the UK's science, technology and innovation industries, especially in supply-constrained locations such as Oxford.

This partnership presents a significant opportunity for the UK to build on its growing reputation as a tech ecosystem – already ranked as the third largest in the world, and largest in Europe.

Oxford is the third most intensive science and innovation cluster in the world and is ranked second globally for Life Sciences Research. Its university is the leading academic institution in the world for university

spinouts, with 210 founded since 2011, adding to the pool of successful UK startups that secured more VC funds than France and Germany combined in 2023.

In order to seize this opportunity for Oxford and the wider country, the three partners bring together the industry-specific expertise and capabilities that underpin their collective ambition: to deliver the real estate needed to support the growth of the UK's next generation of innovative companies.

Oxford Science Enterprises is one of the world's leading builders of university spinouts, having worked alongside academic founders to found, fund and build over 80 transformational companies created from the University of Oxford's ground-breaking research. OSE brings access to a cohort of the country's most exciting science and technology businesses and a deep understanding of their requirements as they scale.

Pioneer Group is Europe's only life sciences growth facilitator to provide a complete ecosystem of laboratory space, venture funding, strategic guidance, and state-of-the-art real estate. The ecosystem, established in 2003, is designed to nurture and accelerate the growth of enterprises focused on planetary and human health. It currently manages a portfolio of more than four million sq ft in key locations, including London, Manchester, Edinburgh, and Dublin.

The Crown Estate has a diverse national footprint, proven ability to bring together the public and private sectors, and a unique structure compelling it to act in the long-term national interest. It has identified science, technology and innovation as a sector where it can have a meaningful impact to support regional economic growth. By working in partnership with others, it can provide the space that is desperately needed to prevent world-class UK start-ups looking abroad, drive wider regeneration and attract inward investment.

The Crown Estate acquired the long leasehold of the former Debenhams site from DTZ Investors, with a total investment of c.£125 million including the purchase price and projected capital investment in the building. Subject to planning, construction will begin next year, with the lab space due to be fully operational by 2027/2028. The site will provide a much needed, high specification solution to the needs of Oxford's fast-growing science, technology and innovation sectors.

The partnership between The Crown Estate and Pioneer Group also has the potential to expand beyond Oxford to other regions, supporting future science, technology and innovation growth nationally. The Crown Estate is investing where it can have the most meaningful impact in addressing areas of national need, meeting local challenges and realising opportunities.

Matt Fitter, Investor and Developer Lead, Life Sciences at JLL, who led on the project, said: "This is a landmark partnership for the science and innovation sector in the UK that will enable science companies to grow, scale and succeed through the provision of a fully integrated service offering providing capital, venture support and specialist real estate. The repurposing of the former Debenhams store in the centre of Oxford provides an excellent initial opportunity for the partnership to support UK innovation, aligning to The Crown Estate's purpose to create lasting and shared prosperity for the nation."

Dan Labbad, Chief Executive at The Crown Estate, said: "Science, technology and innovation are vital growth sectors for the UK as the nation looks to cement its position at the forefront of innovation globally. To realise this goal, the sectors must be supported with mission critical partnerships that bring together venture capital and expertise in asset management and property investment, matching the immense

talent and ingenuity of the companies that are growing at pace. This partnership represents our long-term commitment to supporting national and regional growth, and we hope others in the industry will also come together and continue to invest in sectors that are of significant value to the UK.”

Ed Bussey, CEO at Oxford Science Enterprises, said: “The UK’s science and technology sector is full of promising businesses with the potential to solve some of the world’s toughest challenges, but they often struggle to access the right lab or start-up space – which can be a significant barrier to entry for companies as they scale. As a key player in Oxford’s innovation ecosystem, we’re proud to partner with The Crown Estate and Pioneer Group to support entrepreneurs and companies working at the forefront of the UK’s science superpower strategy. This collaboration will ensure the next generation of pioneering life science and technology companies have the necessary space to grow their operations in the heart of Oxford and continue to export world-leading research from the region to the world.”

Richard O’Boyle, Executive Director at Pioneer Group, said: “We are thrilled to partner with The Crown Estate and Oxford Science Enterprises, two industry-leading organisations, on this pioneering initiative. Our joint effort will not only transform the former Debenhams site into a leading life sciences hub but also deliver extensive developments throughout Oxford. This collaboration will create a central nexus for scientific innovation, supported by our accelerator and launch programs aimed at empowering science entrepreneurs. With the UK’s largest network of life science experts, cutting-edge labs, and robust support systems, we are poised to redefine industry standards and foster a vibrant scientific community. This is just the beginning of a far-reaching and impactful partnership that will enhance innovation across our existing locations and beyond.”

Ben Haller, Director at DTZ Investors, said: “We are delighted to complete this geared long-leasehold sale to The Crown Estate whilst retaining the freehold, including a ground floor retail parade at the base of the building. It achieves a strategic objective for the fund to unlock direct exposure to rental growth and occupier demand in the UK’s life science sector. We identified the potential for this rare building in the heart of Oxford city centre to become a leading life science facility with our sale process seeking a high-quality partner to both bring that forward and then operate it. The new life science venture between The Crown Estate, Pioneer and OSE delivers just that. Ahead of sale, DTZ Investors acted to help de-risk the development for the buyer with an array of technical due diligence reports alongside secured power upgrades to the building. We are excited by the prospects of being aligned to this new opportunity and look forward to seeing the transformation.”