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CARLISLE KINGMOOR PARK ENTERPRISE ZONE

March 2021



Kingmoor Park

Update – COVID 19 Recovery

Kingmoor Park During COVID-19

Operational Continuity

In the early stages of lockdown we made the necessary adjustments to our organisational operations to safeguard the welfare of all staff whilst supporting the site and those essential service providers on the park

COVID Response Support

During lockdown we pro-actively engaged with both councils, NHS and MOD exploring and providing solutions for emergency food distribution, field hospital options and temporary morgue sites

Rent Holidays

As part of a wider government instruction we allowed the deferment of rent during the period and established ongoing flexible payment solutions to support tenants where needed

Tenant Liaison

As ever we remained close to all tenants and offered support on a variety of matters including sourcing and supporting applications for loans and grants

Community Support

We continue to offer support and help groups from around the city to allow them to continue their work, including a community food bank charity, Eden Valley Hospice, LALO, Period Poverty and a national wheelchair basketball organisation amongst others

On site Works

Whilst works on site were massively reduced we were able to maintain momentum on all projects and ensure when guidance allowed matters were resumed as a priority

Performance Indicators

Despite wider spread economic uncertainty and a nervousness around the security of commercial property we have found through the variety of tenants, a solid core of distribution sector serving properties and a pro-active approach to dealing with tenants we have seen a positive impact over the past six months.

100%

Rent Collection

For leases due in the period
25th March 2020 to 23rd
June 2020

95%

Rent Collection

For leases due in the period
24th June 2020 to 24th
September 2020

87.9%

**Enterprise Zone
Occupancy**

In February 2020

98.7%

**Enterprise Zone
Occupancy**

In February 2021

Performance Indicators

Many tenants have undertaken reviews of their workforce during this period and whilst we have seen some redundancies on site we have seen a number of businesses recruiting and planning to grow employment numbers. Whilst we carry out a soft census every quarter of employment figures some have been difficult to obtain in this period due to confidential redundancy reviews or key personnel absence

2,118

**April 2020
Employment**
Figure as at beginning of
lockdown with best known
information

2,414

**February 2021
Employment**
Figure as per February with
best known information

20

**New Leases
Agreed in 2020**

40

Enquiries Since March
Enquiries that have resulted
in Heads of Terms or
advanced discussions

PROJECTS UPDATE



Solar Farm completed and enabled producing at least 28.5% of the sites power demand in July 2020.



Gateway signage installed in 3 locations around the CNDR



MODVillage recommenced construction in August with the staircase now in place and landscaping imminent.

Kingmoor Park Tenants

Positive Outcomes

Increase in enquiries from both new and established businesses taking new premises due to accelerated growth, primarily in distribution and online sales

Existing tenants taking both temporary and longer term additional space on site to cater for increased demand

Re-investment of grant monies on site on tangible improvements to small businesses and the services they offer

A focus on the importance of logistics has provided a renewed confidence in the development of distribution builds which has provided an appetite for development of our masterplan

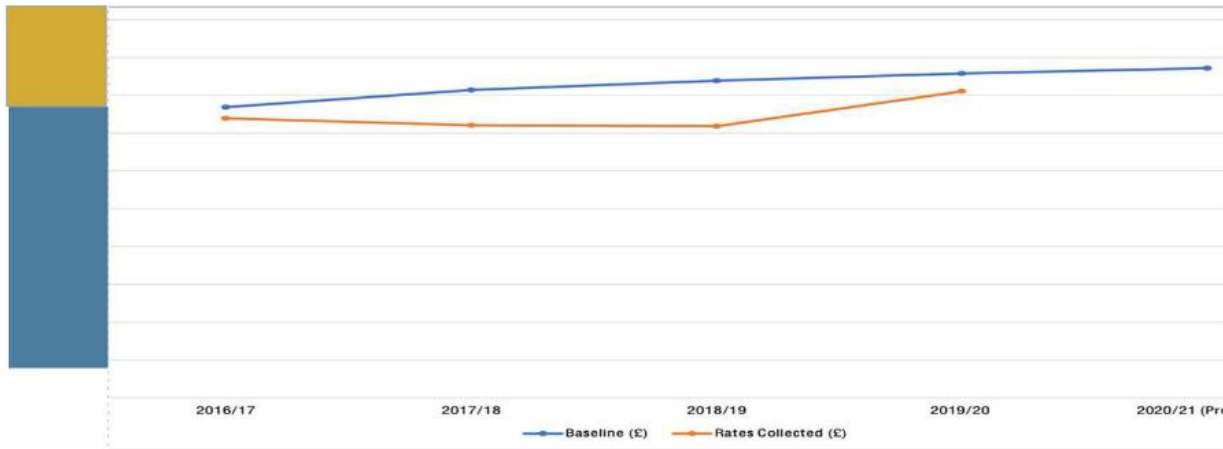
Threats

Whilst we are only aware of one tenant on site looking at a programme of redundancy there is the inherent risk that as economic recovery is staggered there is a threat of further job losses

A shift towards home working suggests that many larger scale office properties may become under-utilised and commercially unviable

Local lockdowns, whilst not necessarily in this area, continue to disrupt lead times and disrupt operations sporadically

Enterprise Zone Performance



Business Rates Relief

Business Rates received remains below the baseline to the high take-up of existing stock by BRR qualifying tenants

Overall occupancy of available space on the EZ is at 98%

Business Rates Relief

Value of EZ BRR granted across 2019/20 quantified at £325,009.

Once 5 years granted has expired this becomes additional rates collected

COVID expanded retail relief deducted in 2020/21 totalling £454,027, due to expire March 2021



Baseline / Past Performance:

	2016/17	2017/18	2018/19	2019/20	2020/21*
Baseline Position (£)	1,536,785	1,627,916	1,676,823	1,715,250	1,743,197
Actual Performance (£)	1,477,672	1,441,229	1,436,001	1,620,258**	n/a
Projected Performance (£)	n/a	n/a	n/a	n/a	1,181,768
Total EZ Relief (£)	0	0	130,082	325,009	358,247
Growth / Loss of Income	-59,113	-186,687	-240,822	-94,992	-561,429

* 2020/21 estimate as at August 2020. ** Pending 2019/20 NNDR3 return being finalised.

Enterprise Zone Marketing



Continued local marketing which has seen occupancy reach 98% with active enquiries over the remaining space

National and International engagement through agents and the DIT Investment Portfolio which has seen us bid for five inward investment development opportunities in 2020 so far including a distillery and vertical farming project

Positive promotion of success stories with successful start-ups on site and growing businesses

Development of the masterplan and active engagement with a development partner ahead of 'launching' the opportunity later in the year



THANK YOU