

Economic Growth Scrutiny Panel

Agenda
Item:

A.2

Meeting Date: 04 March 2021
 Portfolio: Economy, Enterprise and Housing
 Key Decision: No
 Within Policy and Budget Framework: No
 Public / Private: Public

Title: Kingmoor Park Enterprise Zone – Partner Update
 Report of: Corporate Director of Economic Development
 Report Number: ED 08.21

Purpose / Summary:

To provide an overview of Kingmoor Park Enterprise Zone in advance of an update from a representative of Kingmoor Park Properties Ltd. at the Panel's 4th March 2021 meeting.

Recommendations:

The Panel is asked to:

1. note the report and its content in providing a contextual overview of Kingmoor Park Enterprise Zone.

Tracking

Scrutiny:	01 October 2020.
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1. BACKGROUND

- 1.1** Carlisle Kingmoor Park is an existing business park of over 160 hectares, located c.3 miles to the north of Carlisle City Centre and adjacent to junction 44 of the M6. The site already hosts over 150 businesses with the number of jobs at the site exceeding 2,500. The site is home to a wide range of occupiers including Cumbria County Council, Capita, Thomas Graham, Story Homes and UPS alongside a multitude of small and increasingly exciting business occupiers. The site is owned and managed by Kingmoor Park Properties Ltd. which is a privately owned Cumbrian based company.
- 1.2** Kingmoor Park has long been identified as a strategic investment site in Carlisle's and Cumbria's economic development strategies. Accordingly, the site is designated as a primary employment area within the Carlisle District Local Plan, which acts to ensure that the use of land at the site continues to be prioritised for economic and job generating purposes.
- 1.3** Enterprise Zones are an important part of the Government's programme to devolve responsibility for leadership of local growth and provide a powerful tool for Local Enterprise Partnerships to develop their local economy. Kingmoor Park Enterprise Zone became operational on 1st April 2016 for a period of 25 years. Enterprise Zone status allows Kingmoor Park to continue to develop and indeed accelerate delivery momentum, allowing companies to benefit from Business Rates Relief and others from Enhanced Capital Allowances to help encourage investment.

2. GOVERNANCE

- 2.1** Carlisle City Council, Cumbria County Council and Cumbria LEP are each party to a Memorandum of Understanding (MOU) with the Department for Communities and Local Government which sets out the principles governing the implementation of the Enterprise Zone designation.
- 2.2** The Kingmoor Park Enterprise Zone Delivery Board was established to make strategic and operational decisions and ultimately to ensure that the opportunities presented by the EZ are maximised for Carlisle and Cumbria. Cumbria LEP are the lead partner with responsibility for the Board which also includes membership from Kingmoor Park Properties Ltd, Cumbria County Council and Carlisle City Council (Leader of Carlisle City Council and the Corporate Director of Economic Development). The Board meets bi-monthly.

3. DEVELOPMENT UPDATE

3.1 Kingmoor Park Properties Ltd. continue to invest significantly in the site to enable development and to support the effective management and enhance the attractiveness of the site as a location from which to do business. A number of well-established business also continue to invest and expand their operations. Recent highlights and include:

- **Clark Door** are a successful Carlisle business who are exporting globally and are continuing to invest in innovation and their operations at Kingmoor Park. They specialise in large specialist door systems and have recently secured permission to expand their operations at the site to keep up to pace with growing global demand for their product. This demonstrates a significant investment by Clark Door into the local economy and expansion of their workforce.

Clark Door have successfully expanded their operations at Kingmoor Park, in which they have built a new facility to permit the research, development and testing of extra-large specialist doors.

- **MOD Village** – Planning permission was submitted at the beginning of January for modular office space using repurposed shipping containers. This approach is the first of its kind for Cumbria and one of the first in the North West. The containers can be let individually or combined/stacked depending on the business needs. It offers an extremely flexible space for small and medium enterprises and will help maximise efficient use of the land at the site. The first phase of groundworks for the MOD Village has been completed and there are now containers on site.
- **Verus Energy** – Permission was granted in October 2016 with a variation approved in January 2019 for an Energy from Waste Plant at Kingmoor Park. The plant will assist the national strategy of diverting waste from going to landfill and in increasing renewable energy. The plant could appeal to and support advanced manufacturing operators at the site by offering a direct power supply including the potential use of excess heat. Energy from Waste developer Fortum visited the site in November 2019 and have expressed an early interest in further development around the proposed site in line with their other worldwide developments, particularly Scandinavia. Further discussions recently with both Verus and Fortum have taken place via video conference and have since requested an extension of one year to their option agreement resulting in an expected commencement on site in March 2022.
- **Solar Farm** – The solar farm site is complete and has been commissioned by the installer. The final stage involves the witness test by Electricity North West/DNO

which at present has been classed as non-essential. Kingmoor Park are working with partners to resolve.

- 3.2** In addition to the above key highlights there remains strong growth activity across a number of SMEs at the site covering an increasingly diverse and innovative range of operations.

4. CONSULTATION

- 4.1** Consultation is undertaken with partners and relevant stakeholders on key workstreams as and when deemed appropriate by the Enterprise Zone Delivery Board, being mindful of commercial sensitivities of some aspects of the work.

- 4.2** Any development proposals which require planning permission are subject to statutory public consultation in accordance with regulations and the Council's Statement of Community Involvement.

5. RISKS

- 5.1** It is important that Carlisle City Council continue to play an active part in the governance of the Enterprise Zone including with respect to the role required as the local billing (rates) authority; local planning authority; in promoting the site and specific opportunities within; and as a conduit to public sector (external) funding. A failure to do so could result in the intended objectives of the Enterprise Zone not being realised which would be to the detriment of economic growth and ultimately the prosperity of Carlisle's (and the wider sub-regions) population.

6. CONCLUSION AND REASONS FOR RECOMMENDATIONS

- 6.1** Carlisle Kingmoor Park Enterprise Zone is a major driver of economic growth and job creation within Carlisle and the wider Borderlands area. It is therefore appropriate, particularly given the City Council's role within the Enterprise Zone governance structure, that wider Members are aware of the initiative, the role required of the Council, key activities and ultimately progress towards the intended objectives.

7. CONTRIBUTION TO THE CARLISLE PLAN PRIORITIES

- 7.1** Realisation of the objectives associated with Carlisle Kingmoor Park Enterprise Zone will make a significant contribution to a number of Carlisle Plan priorities including:

- *“supporting the growth of more high quality and sustainable business and employment opportunities”* – through promoting economic growth and directly investing in projects and programmes which support and deliver growth; and
- *“working more effectively with partners to achieve the City Council’s priorities”* – through recognition that many of Carlisle’s challenges and opportunities are common across a wider geography and can be complex, in response to which a genuine collaborative effort is required.

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Appendices **None**
attached to report:

Note: in compliance with section 100d of the Local Government Act 1972 the report has been prepared in part from the following papers:

- **None**

CORPORATE IMPLICATIONS:

LEGAL – There are no direct legal implications arising from this Report.

FINANCE – Business Rates on the Enterprise Zone are ringfenced and any growth, over and above the baseline level when the zone was established, is to be allocated for use in the Zone by the LEP. To date, although there have been businesses move onto the Zone, other factors such as businesses leaving and changes to rateable value as well as reliefs granted mean that there has been no growth in the business rate level above the baseline established. The Council monitors and collects business rates for the Zone as with all business rates and provides monitoring information to the Board on a regular basis to inform them of the financial position.

EQUALITY – None

INFORMATION GOVERNANCE – No information governance implications.

PROPERTY – No Property implications