

## Report of the Portfolio Holders for Economic Development and Asset Management, and Resources and Personnel Policy

### Development of Pipeline Projects in Eastwood

#### 1. Purpose of Report

To confirm the Council's approach to exploring a new funding opportunity for proposals to transform the health and well-being of Eastwood and approve a budget to work up the early stages of this proposal.

#### 2. Recommendation

**Cabinet is asked to RESOLVE to approve the requirement for of funds up to £15,000 to develop a revised proposition, supported by a business case, for a Health and Wellbeing Centre in Eastwood, capable of successful submission to appropriate funding institutions.**

#### 3. Detail

During 2021/22, the Council prepared a submission for the Levelling Up Fund for Eastwood which was ultimately unsuccessful. Positive feedback was however received on the proposition. The centre piece of this bid was the D.H. Lawrence Library, Health and Life Chances Centre, incorporating a new wellbeing hub in the heart of the town centre. The project included a GP surgery, pharmacy, diagnostic and treatment rooms, women's health centre, library learning facilities, providing a showcase for one of the best collection of Lawrence's literature in the World, and a swimming pool with therapeutic benefits. The multi-purpose building will serve to improve health outcomes and generate much needed footfall in the town centre.

It was expected that the project would be re-submitted for a future round of Levelling Up, but these funds were allocated centrally rather than competitively. The project is considered an excellent scheme by many agencies and partners and, as the appetite for the CEDARS project demonstrated, the health needs of the local community and the prosperity of Eastwood have worsened rather than improved. The case for funding something of this nature to address the long term life chances of the people of the area remains strong.

**Appendix 1** contains an artist impression of how the Centre could look, based on the previous 2022 designs, looking across from Nottingham Road. **Appendix 2** is a plan showing the area of land that was originally proposed in the bid as shaded purple. This land was in the combined public ownerships of Eastwood Town Council, Nottinghamshire County Council and Broxtowe Borough Council. One of the cost drivers of the original proposal was how much land the site was, meaning the construction would have needed to be at least two storeys and involved complex mechanical and engineering designs for the plant. A large

proportion of the neighbouring land, (yellow and brown) was allocated to an extra care centre which the County Council had pursued. In recent months, the County Council has been considering different options for this plot of land and there may be a willingness to put this into a re-casted proposition. This could allow the site to be built on an amended footprint and on one level to save several million pounds in costs. It is an early stage drawing but shows a different approach remains possible. Since the LUF bid was submitted, the Economic Development team have been exploring opportunities for carbon reduction and innovative heating technologies, which could further reduce the running costs, and health partners have also been examining different funding models that could generate an income capable of supporting borrowing or investment.

One early source of potential funding for a revitalised project is the National Wealth Fund (NWF). This is a policy bank set up by the Government in October 2024. It seeks to partner with the private sector and local authorities to finance infrastructure (and other) projects. It has a mission of stimulating – or ‘crowding in’ – private sector investment into priority areas. The NWF will try to correct market failures as per other traditional for public sector interventions but do so in a manner which will shape new markets for emerging technologies. Investments must meet exacting criteria of tackling climate change and driving growth; generating a positive financial return; and mobilising private finance. By the end of this parliament, it will have been capitalised by the Government with a total of £27.8bn: £22bn of existing capital from UKIB and rolling into it the Green Infrastructure bank. The NWF is wholly owned by the Treasury but it operates at arm’s length and has an independent board. To date it has funded – in providing finance to the public sector for example – £92m financing to improve coastal flood defence barriers in North Wales and loan guarantees to Lloyds and Barclays to fund retrofit to social housing. Typically, its loan interest rates are at or around 1.5%, which is up to 3% lower than the Council’s traditional funding via loans and annuities with the Public Works Loan Board.

Other potential sources of funding remain including the possibility of the project becoming a pipeline project under investment programmes developed by the East Midlands County Combined Authority. The emerging Local Growth Plan being developed by this body specifically recognises the needs of communities such as Eastwood and providing a fitting home for the DH Lawrence literature collection at Eastwood Library has a role in strengthening the visitor economy.

The Eastwood LUF bid has a wealth of detailed information on the costs and benefits of a Health and Wellbeing Centre which could be used to develop the business case and pitch-book. The Council has completed an expression of interest to the NWF but it is clear that the LUF materials will need updating if a successful application is to proceed. Officers recommend taking on some further specialist support to do this with a view to a formal submission to the Fund in the first quarter 1 of 2025/26. If the funding is allocated it can be used to create a more formal functional plan for the centre, develop new architect’s drawings and refresh the high level costs and thereon revise the business case

to show a strong cost benefit relationship, the trigger for investment being secured. The work in question has been market tested and a revised business case and drawings can be accommodated within a sum of £15,000.

4. Key Decision

This report is not a key decision as defined under Regulation 8 of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012.

5. Updates from Scrutiny

Not applicable.

6. Financial Implications

The comments from the Head of Finance Services were as follows:

There is currently no budget provision for the cost of developing a business case for a Health and Wellbeing Centre in Eastwood. If Members were to approve the proposal, the estimated one-off cost of £15,000 would be funded directly from General Fund Reserve balances in 2025/26.

7. Legal Implications

The comments from the Monitoring Officer / Head of Legal Services were as follows:

There are no direct legal implications arising from this report.

8. Human Resources Implications

Not applicable.

9. Union Comments

Not applicable.

10. Climate Change Implications

The climate change implications are contained within the report.

11. Data Protection Compliance Implications

Not applicable.

12. Equality Impact Assessment

Not applicable.

13. Background Papers

Nil.