



Eastwood: DH Lawrence Centre for Health and Wellbeing

Strategic Outline Business Case – Executive Summary

Prepared by ChamberlainWalker, August 2025



Executive Summary

This Strategic Outline Business Case sets out the proposal to demolish the current Eastwood library building and replace it with a new building housing the 'DH Lawrence Centre for Health and Wellbeing' which will include:

- a bigger more accessible library;
- a primary care health centre;
- a public swimming pool and fitness suite;
- space for community facilities; and
- approximately 20 additional homes on the library site and on the sites of the old GP surgeries.

In addition, the project could deliver some commercial development on site and generate heat from old mine workings below the site.

Strategic case

This project addresses a range of specific local needs:

- this investment will deliver much needed public services and facilities in a town with significant deprivation. Eastwood has some of the most deprived neighbourhoods in the country, it has a high rate of economic inactivity, low skill levels, poor health outcomes and is a social mobility "cold spot";
- both the existing library and some of the GP surgery accommodation is not fit for purpose and is in a very poor condition resulting in increasingly unaffordable running costs;
- since Kimberley Gym & Swim was closed in 2024 there have been no swimming facilities in the north of Broxtowe which is a limiting factor for participation in sports and wellbeing in Eastwood;
- given the level of economic inactivity in Eastwood, developing new (and effective) skills and employment support programmes are likely to be a priority in the next few years and having space for this alongside a primary care centre, a fitness centre and a public library delivering skills is a real bonus.

Beyond the direct service improvements, the Health and Wellbeing Centre will act as a major anchor destination in the heart of Eastwood, drawing significantly increased footfall into the town centre. By clustering health, leisure, learning, and community functions in one highly visible location, the scheme will strengthen Eastwood's identity, stimulate surrounding business activity, and contribute to the wider placemaking objectives of revitalising the high street with increased footfall and improved public realm.

The project also supports several national and regional priorities, notably:

Health – Government have said that 2 of their 3 priorities are moving care from hospitals to communities and focusing on prevention. The Health and Wellbeing Centre addresses these; it will provide the scale and flexibility to allow much wider services to be provided locally thus relieving pressure on more costly hospital provision and acute care. In addition, fitness facilities are vital to address the obesity and muscular-skeletal issues which are some of the biggest preventative challenges faced in the UK.

Employment – the Government are prioritising those people excluded from the labour market due to poor health or lower skill levels. Having health and fitness facilities, alongside the public library which runs work skills programmes, alongside community spaces where employment support programmes could be located will help to facilitate this national priority.

Opportunity – The East Midlands Inclusive Growth Commission has identified the need for an '**opportunity escalator**' that can address the health and skills problems of residents and support them into higher skilled, better paid and more secure jobs. The Health and Wellness Centre can contribute to that.

In summary the purpose of this project is to address the following strategic objectives:

- To deliver an integrated Health and Wellbeing Centre that supports health recovery, re-entry into employment and skills development;
- To reduce economic inactivity by linking residents to employability support, training and volunteering;
- To increase local productivity through healthier, more engaged and skilled residents; and
- To revitalise the town centre as a place for work, learning, leisure and commerce.

The anticipated impacts will include:

- sustained improvement in local employment levels;
- a reduction in long term worklessness and health related inactivity;
- increased local productivity and wage levels through improved health and workforce participation;
- increased social mobility and community prosperity;
- narrowing health and wealth inequality gaps in Eastwood compared to regional and national benchmarks; and
- a revitalised Eastwood economy driven by inclusive growth, improved quality of life and a healthier population.

Economic case

This business case draws up a list of 9 options (including 'do nothing') and assessed them against a framework of 6 criteria. This resulted in a shortlist of 3 options:

- **Dispersed Service Model:** Investment is made in multiple small-scale satellite sites (e.g. within existing GP practices, other council-owned assets, including within Kimberley). Has a broader geographic reach, but with limited integration and impact.
- **Centralised Health and Wellbeing Hub (Preferred Way Forward):** Building of a purpose designed, multi-agency health and wellbeing hub on the current library site. Includes co-location of key services within Eastwood (healthcare – including focus on women's health, employment support, training, and leisure facilities). Anticipated 'placemaking' impact with town centre regeneration benefits.
- **Large-Scale Regeneration Scheme:** Delivering a comprehensive regeneration scheme including the proposed Hub, alongside new housing, major transport upgrades, other commercial offering on the wider site and surrounding area.

The costs and wider economic benefits of the preferred option are then assessed over a period of 15 years:

- The net present value of the costs were £28.8 million – being the expected construction costs of the facility, in 2025/26 prices and accounting for Optimism Bias;
- The net present value of the benefits were £70.7 million – the main ones being improved wellbeing as a result of increased physical activity, improved health, and wage premiums arising from increased educational provision on site;
- This provides a benefit/cost ratio of 2:5, which shows that the project offers high value for money.

Financial case

The estimated costs are in the region of £24.6m. This is extrapolated from the figures in Broxtowe BC's Levelling Up Fund bid from 2022. Finalising these costs will be an important step in developing the full business case: updated estimates should be developed by a qualified cost consultant as part of the RIBA Stage 1-2 process.

Funds may need to be drawn from several different sources. The recent Spending Review announcement provided greater clarity on what might be available but in many cases, further details are needed from Government Departments on how resources will be allocated.

This business case lists several potential sources of funding but the most likely will be a combination of:

- Prudential Borrowing and capital receipts from Broxtowe BC;
- DHSC capital programme;
- DCMS National Youth Strategy;
- EMCCA's Investment Fund or Shared Prosperity Fund.

In addition to conventional grant and borrowing routes, the Council could explore alternative funding mechanisms to support delivery. This might include a Tax Increment Financing (TIF)-type approach, whereby co-located housing and commercial uses increase the local tax base, generating revenue through any new government incentives (e.g. replacement of the New Homes Bonus) and higher ongoing council tax receipts.

The scheme will in future be able to secure healthcare rental income from prospective healthcare partners such as Eastwood PCC. Based on an estimated 2,000 m² of lettable healthcare space (approx. 21,500 sq ft), indicative annual rental values could fall in the range of £20–£25 per sq ft, equating to approximately £0.43m–£0.54m per year, subject to detailed negotiations and lease terms.

Commercial case

If the project goes ahead there are important commercial decisions to make:

Who are the partners in the project and who takes the lead and is accountable – It is assumed that Broxtowe BC will lead but this needs to be confirmed. Key partners (alongside the funders) are likely to be Nottingham CC (current landowner), Inspire (Library operator), Eastwood Primary Care Centre (GP surgeries) and Liberty Leisure (swimming pool operator).

Procurement options – for decision further down the line but options should include Traditional Design and Build (D&B); Design, Build, Finance and Operate (DBFO); Delivery through a Public Sector Framework; Joint Venture (JV); or Special Purpose Vehicle (SPV).

The project also affords several **ancillary commercial opportunities**:

- Mine water heating opportunity – The redevelopment of the Eastwood site offers a unique and timely opportunity to explore the use of mine water energy as a sustainable, low-carbon heat source for the proposed Centre. Eastwood has been identified as a potentially promising location. The Department for Energy Security and Net Zero (DESNZ) has expressed interest in schemes aligned with NHS estates and this could contribute significantly to the commercial viability and green credentials of the scheme;
- Potential commercial uses – There is potential for ancillary commercial uses within or adjacent to the new hub, such as café spaces, wellness and therapy rooms, co-working spaces, or community retail. These could generate ongoing rental income. The broader site also presents potential for standalone commercial development.

Management case

Effective delivery of the Walker Street Hub and associated development will require strong governance, clear accountability, and robust programme management. While this project is not linked to the Towns Fund, a similar governance structure could be adopted, drawing on the successful approach taken in Stapleford for the Town Improvement Programme.

Recommendations and Next Steps

This project is currently at an early stage of development. To move it forward it is recommended that Broxtowe BC:

1. Negotiates and signs a formal MoU with both Nottingham CC and Eastwood PCC without whom the project cannot proceed. This will provide some certainty for further engagement.
2. Sets up a governance structure with key stakeholders to oversee the project and make key decisions. As well as Nottingham CC and Eastwood PCC, this might include EMCCA (possible funder and user for employment support programmes), Liberty Leisure (pool operator) and Inspire (Library operator).
3. Take early decisions on the scope of the project – in particular whether it include residential developments (on site and/or on old Eastwood PCC sites), commercial developments (on site) or mine water heating systems (on site).
4. On the back of these decisions the priority needs to be to:
 - develop a full business case for the project – which will include making decisions about who will operate in the new Centre (and on what commercial terms) and a proper assessment of the ongoing running costs, income and viability of the Centre;
 - retain an architect and QS in order to nail down the design and capital costs of the project;
 - a workstream to identify potential sources of funding and to negotiate with them and produce tailored applications or business cases as appropriate.

A report prepared by ChamberlainWalker Economics

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