

TAMWORTH ENTERPRISE QUARTER

Project location & coverage	The site lies within Tamworth Town Centre Conservation Area (at Aldergate and Corporation Street) and extends over an area of 10,750m ² (2.66 acres). It comprises a mix of public (predominantly listed) buildings, car parks, roads and open spaces.	
Promoter & partners	Lead organisation(s) & Individual	Tamworth Borough Council, Staffordshire County Council
	Delivery partners (if applicable)	As above
Intervention Type	Primary	Place-led growth
	Secondary Type(s)	Tourism
SEP Objective	Primary	Vibrant Towns and Cities - competitive urban centres
	Other Relevant	Priority Sectors - tourism and Enterprise sectors
EUSIF Objective	Primary	SME Competitiveness – provision of: enterprise and incubation centres near town centres; business support; and enterprise mentoring & coaching
	Other Relevant	Place and Environment - revitalisation of derelict land and historic buildings

Project Description

Direct Development Tamworth Enterprise Quarter offers a unique opportunity to transform an important part of the town centre, injecting much needed economic vibrancy and helping to re-define Tamworth as a place to work, do business, visit and live.

The most significant component is improvements to the Tamworth Assembly Rooms which faces the prospect of closure but has the potential to be reinvigorated as a major cultural, social and economic asset. Other elements of the proposal include: the transformation of the Philip Dix building into a creative sector themed Business Enterprise Centre; the creation of a restaurant in the Carnegie Centre; and improvements to Tamworth Library and the neighbouring public realm. An improvement to the cycling and pedestrian route through the churchyard, to Little Church Lane is also included in the proposal. This will link the two main regeneration projects in Tamworth: the Enterprise Quarter and the Gungate site. Two important areas of green space are associated with the Enterprise Quarter: St. Editha's churchyard and The Garden of Rest.

The project is well developed and deliverable quickly and a detailed project programme is provided with this application. A considerable amount of work has been undertaken to date including feasibility studies, outline design, liaison with the public and planners and creating the Enterprise Quarter partnership. The Assembly Rooms component of the project received planning permission in September 2014 and the planning application for the Philip Dix Centre component of the project has been submitted.

This project is driven by economic considerations, whilst also generating important social and cultural benefits. In particular, Tamworth lacks any managed workspace or business incubation space, the effects of which can clearly be seen in the small size and narrow range of its business base.

Wider Development The project is a key element of a wider regeneration strategy for Tamworth Town Centre. The project includes detailed plans for improved access between the Enterprise Quarter and the Gungate area of Tamworth. The Gungate area is the other key regeneration area in Tamworth and was previously the site of the Tamworth town centre shopping precinct (now demolished). The Gungate area is proposed as the new location for Tamworth College.

Improvements to sustainable transport links between all the components of the Enterprise Quarter project are a key aspect of the project. The project includes detailed plans for improved footpath and cycle access inside the Enterprise Quarter and between the Enterprise Quarter and the Gungate area of Tamworth.

Anticipate Timeframe		
	Direct Development	Wider Development
Start date	2015	
End date	2017	

Rationale for Investing Public Money

The Case for Investment

What need/problem does this investment address?	<p>Tamworth Enterprise Quarter is a £5.6million programme comprising the following components:</p> <ul style="list-style-type: none"> ▪ Refurbishment of the Assembly Rooms, a key cultural venue ▪ Conversion of the Philip Dix Centre as a Business and Enterprise Centre ▪ Redevelopment of the Carnegie Centre as a restaurant ▪ Enhancements to the Public Realm/Tamworth Library
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At present, these assets support no private sector jobs and, in the case of the Assembly Rooms, its operation is unsustainable. However, this investment could revitalise each of the above and, collectively, they offer the prospect of playing a major role in the re-inventing of Tamworth. Public sector investment and LGF monies specifically is critical to making this happen.

Whilst business start-up rates in Staffordshire of 41 per 10,000 people (aged over 16) are below the national average of 51 per 10,000 people. Tamworth is markedly lower at 31 per 10,000. The development of a new business and enterprise centre can go some way to addressing this.

What opportunity / opportunities does it capitalise on?	<p>Tamworth’s Enterprise Quarter offers a unique opportunity to transform an important part of the town centre, injecting much needed economic vibrancy and helping to re-define Tamworth as a place to work, do business, visit and live. The Enterprise Quarter aims to stimulate business growth, private sector investment, inward investment, employment and tourism through mixed used regeneration of this part of Tamworth, complemented by improvements to the quality of the environment.</p>
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Strategic Contribution

One of the priorities of the SEP is urban growth. It is acknowledged that the future prosperity of the Stoke-on-Trent & Staffordshire economy is dependent on growth in Stoke-on-Trent and the chain of strategic centres, including Tamworth.

In line with EUSIF priorities, this development will enable Tamworth to build: a more productive economy; a more diverse and resilient economy; a strong and growing base of SMEs; and a more attractive place to live, work and visit. Furthermore, the proposal offers: Strategic Fit (being aligned with European, national and LEP priorities; Additionality (no overlap or duplication with existing delivery); and Deliverability (with all partners committed).

Objectives

The key objective is to undertake development that will transform Tamworth into a competitive urban centre, enabling Tamworth to make its contribution to achieving the aims of the SEP and EUSIF. Specifically, it will deliver:	
<ul style="list-style-type: none"> ▪ 29.3 FTE construction jobs (gross) ▪ £1.4 million of construction-related Gross Value Added ▪ 98 ongoing jobs (gross) ▪ £13.5 million of economic value 	

Market Failure

Which Category / categories of Market Failure is this initiative trying to address?	General	We will address poor local conditions which have knock on effects on trade & investment	✓
		We are trying to secure positive knock-on effects	✓

	of a wide range of businesses by developing a strong economy	
	Our businesses cannot afford to shift from old industries/patterns	✓
Specific	The service we need to offer cannot realistically be charged for	✓
	A shortage of information is leading to sub-optimal economic choices	
	External help is needed to co-ordinate a group of businesses/investors	✓
	We cannot prevent non-payers from benefiting from the service	
Please describe how you understand the market failure operates	Market failure arises when the private sector will not or cannot respond to an investment opportunity to undertake works or provide particular goods or services. In this instance, market failure arises as the focus of investment are public assets.	
Please describe the scale & nature of the gaps in private sector provision which this scheme is attempting to fill	<ul style="list-style-type: none"> a) Refurbishment of the Assembly Rooms – a Council-owned and public asset – will not be undertaken by the private sector b) Conversion of the Philip Dix Centre as a Business and Enterprise Centre will not provide the private sector with the returns it requires c) Redevelopment of the Carnegie Centre as a restaurant is likely to prove attractive to the private sector, but only once some basic physical works have been undertaken and the wider environment has been improved d) Enhancements to the Public Realm/Tamworth Library will not be undertaken by the private sector 	
Please explain how the proposed initiative has been configured to optimally tackle the market failure	The market failure is absolute. Without the public sector taking the lead, none of these developments will be undertaken. The only way in which the potential for private sector investment can be brought to fruition is by undertaking basic project development at the Carnegie Centre to facilitate a private sector conversion into a restaurant and enhancing the wider environment to encourage a restaurant operator to make such an investment. The Enterprise Quarter as a whole will encourage private sector investment in Tamworth town centre.	
How will the service improve the functioning private sector market?	This development will lever in private sector investment and, more fundamentally, support the creation of private sector jobs and establishment of new enterprises.	
Realism		
Challenge	The project is well developed and deliverable quickly and a Project Schematic and detailed project programme are appended to this document. A considerable amount of work has been undertaken to date including feasibility studies, outline design, liaison with the public and planners and creating the Enterprise Quarter partnership. The Assembly Rooms component of the project received planning permission in September 2014 and the planning application for the Philip Dix Centre component of the project has been submitted.	
Costs	This bid relates wholly to capital expenditure. Cost estimates are as follows: <ul style="list-style-type: none"> ▪ Tamworth Assembly Rooms - £4,470,900 	

- Philip Dix Centre - £575,485
- Carnegie Centre - £110,000
- Public Realm/Tamworth Library - £411,631

The Local Growth Fund (LGF) bid is for £2,953,515 million over a two year period out of a total cost of £5,568,376. This indicates that LGF monies will lever an additional £2,614,861.

Other funders confirmed are: Tamworth Borough Council (£993,961) and Staffordshire County Council (£567,500), whilst £903,400 is being sought from Heritage Lottery Fund and is considered highly likely to be provided. In addition: £100,000 is expected to be invested by a private sector lessee of The Carnegie Centre; and £50,000 is expected to be raised by sponsors and patrons.

Lessons

Enterprise Quarters focused on creative industries can be found throughout Britain making a significant contribution to local regeneration. A successful example in the Midlands is Nottingham where the Creative Quarter is the flagship project in Nottingham's City Deal.

Enterprise Quarters focused on creative industries not only help to generate jobs and Gross Value Added in their own right but can also facilitate the development of a stronger visitor economy.

Tamworth Borough Council and Staffordshire County Council have taken an integrated whole-area approach with investment in workspace, the public realm and library, the cultural offer and the night-time economy. The success of the project will be achieved through strategic overview and co-ordination between County and Borough Councils.

Studies

A considerable amount of work has been undertaken to date including feasibility studies, outline design and liaison with the public and planners. Supporting information is listed below and copies can be provided on request.

1. ERS Research & Consultancy Economic Impact Assessment October 2014
2. Tamworth Assembly Rooms Business Plan & Business Enterprise Centre Business Plan
3. Project Architectural Plans
4. Letters Of Support
5. Tamworth Enterprise Quarter Risk Register
6. Entrust Feasibility Study Of Carnegie Centre Project
7. Entrust Feasibility Study Of Philip Dix Centre Project
8. Entrust Feasibility Study Of Tamworth Library And Public Realm Project
9. Managed Workspace Study 2012, Kingston Commercial Property Consultants

Constraints

There are no development constraints in respect of site ownerships, planning issues, ground conditions or physical barriers. Tamworth Borough Council owns and maintains the Tamworth Assembly Rooms, the Carnegie Centre, the Philip Dix

Centre and The Garden of Rest. Staffordshire County Council owns the Library. The Diocese of Lichfield owns the churchyard. All landowners are fully committed to the project.

On completion of the works, Tamworth Borough Council will operate and manage the Tamworth Assembly Rooms and the Philip Dix Enterprise Centre. Day to day management and reception duties will be undertaken by Customer Support Staff and Tamworth Assembly Rooms staff at the two buildings. The new paved square created as part of the public realm works will be adopted by Tamworth Borough Council. The new path linking the Enterprise Quarter with Little Church Lane through the churchyard will be adopted by Staffordshire County Council. Staffordshire County Council will continue to manage and operate the library.

Risks

Assuming this is a successful bid, there are no significant risks. All of the required feasibility work, impact assessments and market testing have been undertaken. All components of the project have established project teams with detailed project programmes ready for implementation. The greatest risk is in the development not proceeding which may result in the Assembly Rooms being closed permanently and missing out on a unique opportunity to secure a game changing development in the town.

Support for the project within Tamworth is strong. A consultation programme run by Tamworth Borough Council in spring 2013 found the public supported improvements to the Tamworth Assembly Rooms. Demand from small businesses wishing to locate at the Business Enterprise Centre is expected to be strong.

Track-Record

Staffordshire County Council has a strong track record over many years of delivering managed workspace and capital regeneration projects. The County Council's current capital regeneration programme, including the i54 site in South Staffordshire and two Local Pinch Point Programmes, totals around £83 million.

The County Council will appoint their Independent Joint Venture Company – Entrust – to deliver the Philip Dix Enterprise Centre and the works to the library. An in-house landscape architect will work closely with Entrust to deliver the public realm works. A contract will be let through the County Council's Construction Framework contract which complies fully with national and EU procurement legislation.

Tamworth Borough Council has appointed project managers and architects to deliver the conservation and improvement works to the Tamworth Assembly Rooms. The work has been developed to Tender stage.

Options

Option: No. & Name	Describe	Grounds for Rejection
1.	Do Nothing	This may result in the Assembly Rooms being closed permanently and missing out on a unique opportunity to secure a game changing development in the town.
2.	Do Minimum	As important as each component is, the key benefit is in the strategic added value

		generated by a comprehensive development.
3.	Do Something	Tamworth's Enterprise Quarter offers a unique opportunity to transform an important part of the town centre, injecting much needed economic vibrancy and helping to re-define Tamworth as a place to work, do business, visit and live. The Enterprise Quarter aims to stimulate business growth, private sector investment, inward investment, employment and tourism through mixed used regeneration of this part of Tamworth, complemented by improvements to the quality of the environment.

Programme / Project Costs and Funding

Total Cost (estimate):		Capital	£2,668,745	Revenue	£0	Funding Status						
Local Growth Fund Request: 15/16		Capital	£ 1,540,815	Revenue	£0	Status	Expected Confirmation Date	Implications of losing this money				
		14/15	15/16	16/17	17/18	18/19	19/20	20/21	TOTAL			
Funding split	Local Growth Fund		1,540,815	1,412,700					2,953,515	Pending	Scheme will not proceed	
	Private Sector			100,000					100,000	Market tested	Carnegie Centre conversion delayed	
	Wider Private Sector											
	ESI Funds	ERDF	ESF									
	Local Authority		492,600	1,068,861					1,561,461	Confirmed	Confirmed	Scheme will not proceed
	Heritage Lottery Fund		635,330	268,070					903,400	Pending		Assembly Room works delayed
	Sponsors/patrons			50,000					50,000	Estimate	2015/16	Will affect quality
	Other 3											
	Other 4											
	TOTAL		2,668,745	2,899,631					5,568,376			

Anticipated project / programme outcomes / impact

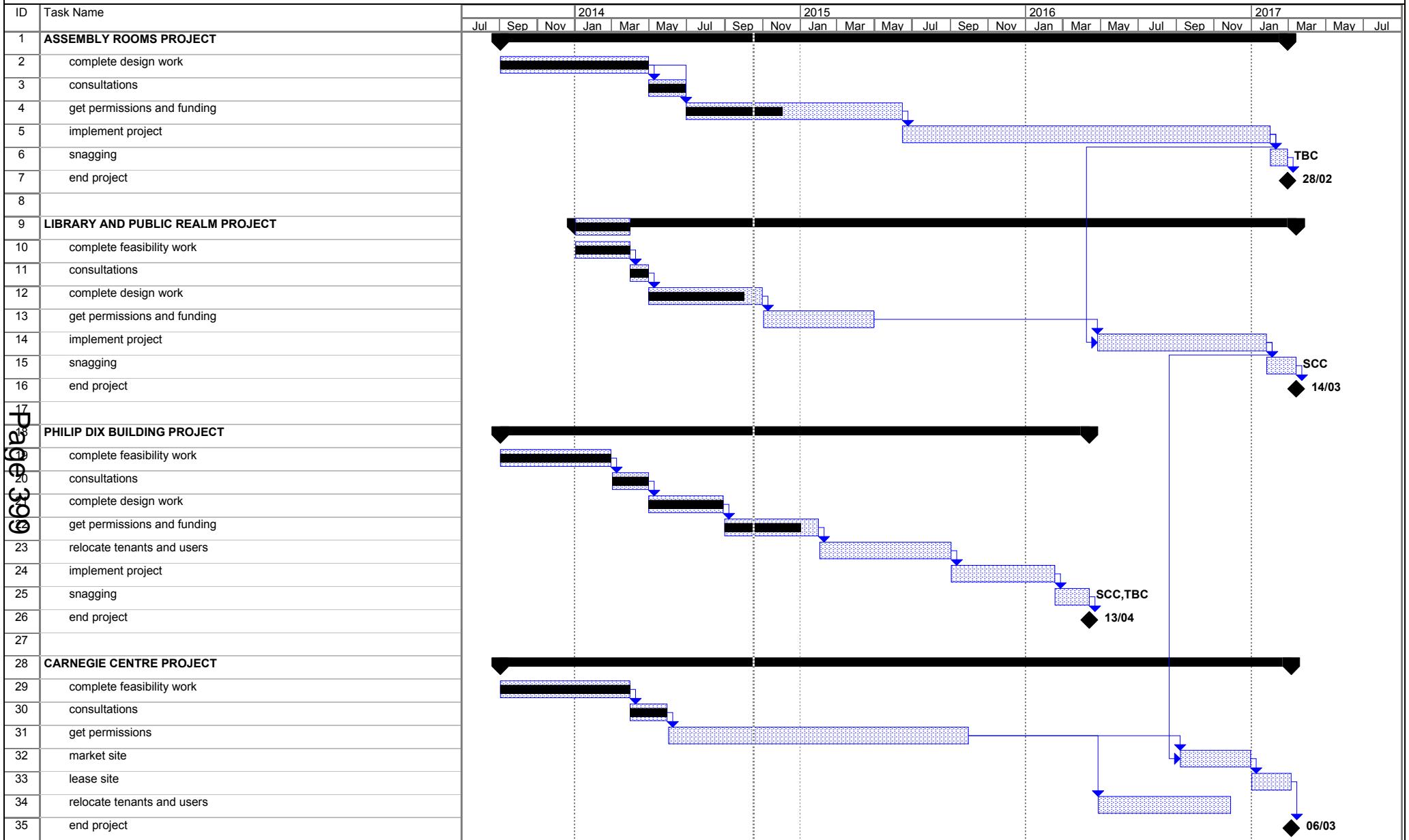
SEP Plan Headline Indicators		Quantity		Total
		Type		
Businesses Assisted	Directly Assisted	2015/16	16/17 to 20/21	50
	Better Connected	N/A		
People Assisted	With Learning	N/A		
	Into Work	N/A		
Floor Space Directly Developed (m2)	Office/commercial	-	1265	1265
	Industrial	N/A		
	Learning	N/A		
Hectares of Land Remediated	Housing	N/A		
	Employment Land	N/A		
Facilities Developed/ Improved	Educational	100 sq. m.		100 sq.m.
	Cultural			10,750 sq.m.
Hectares of Land Released (m2)	Housing	N/A		
	Retail	N/A		
	Office	N/A		
	Industrial	N/A		
No. New Housing Units Released		-		
Learners Benefitting From Improved Facilities		-		
New Visitor Capacity (000's pa)		-		
Miles of Road Improved		-		
Road Users Benefitting From Improved Capacity		-		
Travel Time Reduced		-		
New Business Created				
Jobs Created		-	98 gross/56 net	98 gross/56 net
Jobs Safeguarded		-	-	-
Increased GVA				£1,409,298
Reduction in CO2		-		
Construction jobs		30	9	39
Construction GVA				£13,700,000

Overview

Wider benefits	
Key Tests	
Transformational	Tamworth’s Enterprise Quarter offers a unique opportunity to transform an important part of the town centre, injecting much needed economic vibrancy and helping to re-define Tamworth as a place to work, do business, visit and live. The Enterprise Quarter aims to stimulate business growth, private sector investment, inward investment, employment and tourism through mixed used regeneration of this part of Tamworth, complemented by improvements to the quality of the environment.
Leverage	<p>The Local Growth Fund (LGF) bid is for £2,953,515 £3 million over a two year period out of a total cost of £5,568,376. This indicates that LGF monies will lever an additional £2,614,861.</p> <p>Other funders confirmed are: Tamworth Borough Council (£993,961) and Staffordshire County Council (£567,500), whilst £903,400 is being sought from Heritage Lottery Fund and is considered highly likely to be provided. In addition: £100,000 is expected to be invested by a private sector lessee of The Carnegie Centre; and £50,000 is expected to be raised by sponsors and patrons.</p>
Additionality	The Business Plan for the Assembly Rooms (FMG Consulting, May 2014) was clear that without significant new investment, the venue is unsustainable (it is currently closed). In addition, the project offers a unique opportunity to create a significant number of private sector jobs at The Philip Dix Enterprise Centre and The Carnegie Centre Restaurant.
Deliverability	<p>The proposed works are centred on improvements to the Tamworth Assembly Rooms which will be carried out by Tamworth Borough Council. Improvements to the Library, the public realm and the creation of a Business Enterprise Centre at the Philip Dix building will be delivered by both Staffordshire County Council and Tamworth Borough Council. The private sector is to be invited to bring forward proposals for the creation of a restaurant or café based at the Carnegie Centre. All these buildings (with the exception of the Library) are listed.</p> <p>Tamworth Borough Council owns and maintains the Tamworth Assembly Rooms, the Carnegie Centre, the Philip Dix Centre and The Garden of Rest. Staffordshire County Council owns the Library. The Diocese of Lichfield owns the churchyard. All landowners are fully committed to the project.</p> <p>The project is well developed and deliverable quickly and a Project Schematic and detailed project programme are appended to the business case document. A considerable amount of work has been undertaken to date including feasibility studies, outline design, liaison with the public and planners and creating the</p>

	<p>Enterprise Quarter partnership. The Assembly Rooms component of the project received planning permission in September 2014 and the planning application for the Philip Dix Centre component of the project has been submitted.</p>
Value For Money	<p>Much of the project expenditure will create non-market benefits that cannot be valued easily. Using research provided by the DCLG that captures the value of both market and non-market benefits the proposed investment of £5.57 million by the project is estimated to provide a total economic benefit of around £13.2 million if the regeneration expenditure is allocated between the activities of Industrial & Commercial Property (Benefit Cost Ratio of 10) and Public Realm (Benefit Cost Ratio of 1.4).</p> <p>This analysis assumes that £760,000 is invested in commercial property development through the creation of a new café, exhibition space, studios and retail facilities at the Tamworth Assembly Rooms and through the creation of a Business Enterprise Centre at the Philip Dix Building along with £5m invested in building refurbishment and public realm improvements. Alternatively, if the average Benefit/Cost Ratio of 2.3 identified by the DCLG research for all regeneration expenditure is used an economic benefit of £12.8m is achieved.</p> <p>The calculations undertaken by independent consultants (ERS) indicated an economic value of £13.4 million.</p>
Risks	<p>Assuming this is a successful bid, there are no significant risks. All of the required feasibility work, impact assessments and market testing have been undertaken. The greatest risk is in the development not proceeding which may result in the Assembly Rooms being closed permanently and missing out on a unique opportunity to secure a game changing development in the town.</p>
Freedoms	<p>The project is well defined and conceptually developed, and it is not anticipated that there is a need to request any freedoms in the use of LGF monies.</p>

CREATIVE QUARTER HIGH LEVEL PROJECT PLAN



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DAVID HUNTER
Date: Fri 17/10/14

Task		Progress		Summary		External Tasks		Deadline	
Split		Milestone		Project Summary		External Milestone			

Business Incubation Centre

The locally listed Philip Dix Centre will be converted into 15 small business units, to accommodate new start up and growing small businesses in the Town Centre. Flexible in and out rents and terms will be offered including services such as business support sessions, a fully staffed reception, virtual office space, and a modern board room for meetings.

Restaurant

The beautiful, locally listed Carnegie Centre will be opened up to a wider audience becoming a quality restaurant that enhances and improves the night time offer in Tamworth.

Library

The current building will be enhanced with an improved exterior and more flexible community space offering an environment that will enable individuals and communities to access, explore and enjoy reading and learning.

Gungate Regeneration Area

Public Realm

The new public realm will become the focal point of the Creative Quarter. Offering a high quality public space with a mix of soft landscaping such as trees and hard landscaping including bespoke seating and lighting. It will be a space for meeting and relaxing, connecting the Quarter with the rest of the Town Centre.

Tamworth Assembly Rooms

The heritage of Tamworth Assembly Rooms will be preserved for future generations, with work being undertaken to restore its key features and enhance its current offer. Tamworth Town Centre will benefit from a characterful, multi-purpose venue that will attract diverse shows to the Town and offer a variety of performing spaces for various cultural and entertainment uses.