



Ministry of Housing,
Communities &
Local Government

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Luke Hall MP
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3 March 2021

Dear Mr Maidment and Ms Brahma-Pearl,

Crawley Town Deal

In September 2019, the Government announced the initial 101 places invited to develop Town Deal proposals as part of the £3.6 billion Towns Fund.

Crawley was included in this initial 101 places and I was pleased to receive Crawley's Town Investment Plan. I am grateful for your hard work, and that of your team and Town Deal Board, in developing this set of project proposals to deliver long-term and sustainable economic growth in Crawley.

I am delighted to be offering you a Town Deal for Crawley to a value of up to £21.1 million. The draft Heads of Terms for this deal are attached to this letter. A list of the projects that we are content to support within this funding envelope is also attached.

I understand that you will need to secure the agreement of the Town Deal Board to take up this offer. I would therefore request that you do so and return to us the signed Heads of Terms as confirmation by 24 March 2021. My officials are of course on hand to answer any questions you may have.

This is an exciting opportunity to come together to drive long-term economic and productivity growth in Crawley, particularly as we meet the challenges presented by Covid-19. I look forward to working with you to make Crawley's plans a reality.

Yours sincerely,

LUKE HALL MP

Heads of Terms offer for Crawley Town Deal

Introduction

The Town Investment Plan responds to an ambitious 30 year 'Vision for Crawley', that Crawley will be a modern, vibrant and healthy exemplar digital town with a transformed "green" economy. This will be underpinned by high quality local services, state-of-the-art amenities, a pioneering advanced engineering Business Park and Innovation Centre at Manor Royal alongside extensive sustainable homes, transport and green tech business.

Government will work with Crawley Borough Council and its Town Deal Board to support the delivery of a Town Deal, with the goal of ensuring all Crawley residents have a share in the town's success.

The commitment

This document lays out the Heads of Terms offer to Crawley, under the Towns Fund. This is not a contractually binding document and the offer is subject to various conditions being met. The Heads of Terms will act as a Memorandum of Understanding for the future development and delivery of your Town Investment plan and project proposals. It sets out joint expectations as Crawley enters the business case development phase.

Government will provide up to **a total of £21.1 million from the Towns Fund**. Crawley has proposed a range of projects that will contribute towards achieving this vision. These are:

- Crawley innovation centre –establishing Crawley's first advanced engineering and digital technologies fusion centre
- Invest in Skills - infrastructure for vocational training and higher education
- Green business infrastructure grants - to attract green technology and construction businesses
- New "Commercial Eastern Gateway" in the town centre – to design and enable a hub for professional services
- A transformed bus station and sustainable transport interchange
- An investment programme in priority arterial and segregated cycle track - to link key employment destinations.
- Manor Royal Gigabit Business Park –an incentive programme for Manor Royal businesses to connect to full fibre and 5G infrastructure
- Designing a new Cultural Quarter in the town centre – to unlock employment and business growth in the cultural and creative industries
- Manor Royal business environment improvement programme - business environment upgrades and modernisation
- Crawley home "green retrofitting" programme - to design, launch and deliver home "green retrofit" grants

Crawley will need to prioritise these projects within the funding envelope being offered. Funding for individual projects will be subject to successfully completing Phase 2 of the Towns Fund process. This includes detailed project development and business case assurance at local level.

Process, governance and assurance

Local partners will work with government to demonstrate the feasibility, viability and value for money of their projects by developing and submitting the Town Deal Summary Document, including (as per the Further Guidance and Stage two guidance: business case development):

- A list of agreed projects
- Details of business case assurance
- An update on actions taken in relation to the Heads of Terms key conditions
- A Delivery Plan (including details of the team, working arrangements and agreements with stakeholders)
- A Monitoring and Evaluation Plan
- Confirmation of funding arrangements and financial profiles for each project
- Undertaking Public Sector Equalities Duty analysis
- Approval from the Town Deal Board and Lead Council

Crawley should conduct project assurance in line with agreed routes for each individual project, and should conduct more in-depth public engagement with communities, including more disadvantaged groups and those that have more limited representation on Crawley's Town Board.

If the priority projects identified for funding do not progress, MHCLG cannot guarantee that funding can be assigned to alternative projects or that if it is those will be to the same value. This may result in an overall reduction in the amount of funding received.

Within two months of accepting this offer, Crawley should confirm in writing details of projects being taken forward and a plan for addressing key conditions relating to those projects and the overall Town Investment Plan. This should be sent to towns.fund@communities.gov.uk, copied to the town lead.

Crawley must complete business cases for the projects being taken forward and submit a Summary Document within 12 months of the deal being agreed. MHCLG will then provide funding up to the maximum agreed amount of **£21.1 million**, provided that all conditions are met.

Signed:

Chair of the Town Deal Board

Chief Executive of lead Council

MHCLG Secretary of State / Minister

Date: _____

ANNEX TO THE HEADS OF TERMS: PROJECTS WITHIN SCOPE OF THE TOWN DEAL

Our Town Deal offer is a maximum of **£21.1 million** of MHCLG funding in total.

Within this maximum amount, Crawley may take forward projects selected from those listed below. The Crawley Town Centre Virtual Village project cannot be taken forward under this offer.

This funding will be subject to successfully completing Phase 2 of the Towns Fund process as set out in the Towns Fund Further Guidance, including detailed project development and business case assurance at local level. It is also dependent on final spending profiles, including the RDEL/CDEL split being provided, and the further project-specific conditions set out below being met.

Project	Funding offer limit	Match	Expected outputs and outcomes	Conditions	Fast track (Y/N)
Crawley Innovation Centre The restructure, conversion and fit out of a 20,000 square foot vacant commercial building on the Thales business site in Manor Royal.	£2.6m	£8.4m	<ul style="list-style-type: none">• 60 micro-enterprises in the new Innovation Centre• 400 jobs created and protected• 616 indirect jobs	N/A	N
Invest in skills for Crawley A programme of investment in infrastructure for vocational skills training and higher education.	£5m	TBC	<ul style="list-style-type: none">• 1 construction skills hub• 1 university level training facility and a vocational skills facility.• 70% of learners gaining relevant experience/being 'job ready' 40 % of working-age population with qualifications by 2025	N/A	N
Green business infrastructure grants	£2.5m	N/A	<ul style="list-style-type: none">• 50 business grants to green tech business	N/A	N

"Green" business infrastructure grants to attract "green" technology and construction businesses.			<ul style="list-style-type: none"> • 15 green tech business start-ups • 150 green tech jobs • 30 enterprises using high quality, affordable and sustainable commercial spaces by 2025 		
Commercial Eastern Gateway Design / Enable a new "Commercial Eastern Gateway" in Crawley town centre.	£0.15m	N/A	<ul style="list-style-type: none"> • 1 commercial gateway delivery plan and masterplan • 6,500 sqm of business space 	N/A	N
Crawley town centre bus station & transport interchange The design, development and delivery of a high quality 21st century bus station provision in the heart of the town centre.	£2.3m	£5.2m	<ul style="list-style-type: none"> • 1 new state of the art bus station • 1 State of the art RTPi • 10 digital bus shelters • 1 pedestrian / cyclist interchange • 1 segregated cycle route. • 120% trips by purpose and main mode. 	N/A	N
Arterial cycle route Development of a priority arterial and segregated cycle track linking Crawley's key employment destinations.	£2.4m	N/A	<ul style="list-style-type: none"> • 1 town centre to Gatwick cycle track by 2023. • 300% trips by purpose and main mode 	N/A	N

Manor Royal Gigabit Business Park Develop a programme of incentives for Manor Royal businesses to connect to the new full fibre and 5G infrastructure being installed	£2.0m	TBC	<ul style="list-style-type: none"> • 300 Manor Royal businesses access full fibre broadband • 60 businesses access digital apps • 500 businesses have access to 5G networks • 350 businesses have Internet access 	N/A	N
Crawley town centre new cultural quarter Design of a new Cultural Quarter in the town centre, mapping out the prospective location of new cultural and events venues	£0.5m	Subject to Arts Council bid	<ul style="list-style-type: none"> • 1 Cultural Quarter masterplan, • 4 site feasibility analyses • 2 site delivery plans • 1 culture and arts pop up programme • 2000 visitors to arts, cultural and heritage events and venues 	N/A	N
Manor Royal Business environment improvement programme Deliver a programme of business environment upgrades and modernisation in Manor Royal.	£2m	£75k	<ul style="list-style-type: none"> • 6 new Manor Royal micro parks, • 2 "Gateway" upgrades • 1 micro park walking trail network By 2024: <ul style="list-style-type: none"> • 1 hectare of business space • Improvement in resident/ visitor/ business perceptions - % TBC 	N/A	N

Crawley Home green retrofitting The design, launch and delivery of a Borough wide home “green retrofit” grants programme.	£5.0m	N/A	<ul style="list-style-type: none"> • 1 Crawley homes retrofit programme • 230 homes ‘green’ retrofitted • 50% reduction in CO2 	<ul style="list-style-type: none"> • More detailed outputs, outcomes and deliverability 	N
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General conditions

There are also the following requirements for the process and governance:

- **TIP improvements:** Provide future community engagement plan including specifically how the most disadvantaged groups will be targeted.
- **Assurance:** The business cases for projects will be taken through Crawley Borough Council, in line with local assurance processes.
- **Public Sector Equalities Duty:** Crawley will undertake programme-wide level impact assessment, relevant project-level impact assessment and relevant Environmental Impact Assessments.

If the priority projects identified for funding do not progress, MHCLG cannot guarantee that funding can be assigned to alternative projects or that if it is those will be to the same value. This may result in an overall reduction in the amount of funding Crawley receives.

Within two months of accepting this offer, Crawley should provide the following information to towns.fund@communities.gov.uk, copied to the town lead (annex a in business case guidance):

- Details of the projects being taken forward (including for each project the capital/revenue split and the financial profile)
- Overall capital/revenue split and financial profile for the Town Deal
- A plan for addressing key conditions relating to those projects and the overall Town Investment Plan.

Crawley must complete business cases for the projects being taken forward and submit the Town Deal Summary Document within 12 months of accepting this offer. Business cases should follow the Lead Council’s usual assurance processes and be undertaken in partnership with the Town Deal Board.

If Crawley wishes to alter the projects being developed, change them for other projects, or otherwise depart from the conditions placed on the projects above, you should inform the Towns Hub as soon as possible setting out clear justifications and evidence. A form for requesting such changes is in the business case guidance.