



Ministry of Housing,
Communities &
Local Government

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15 July 2021

Lyn Carpenter
Chief Executive, Thurrock Council
lcarpenter@thurrock.gov.uk

Dear Mr Thomas and Ms Carpenter,

Grays 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.

Grays was included in this initial 101 places and we were pleased to receive Grays's Town Investment Plan in December. We are 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 Grays.

I am delighted to be offering you a Town Deal for Grays to a value of up to £19.9 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, with conditions as appropriate; it is for Grays to choose which projects to proceed with.

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 5 August 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 Grays, particularly as we meet the challenges presented by Covid-19. I look forward to working with you to make Grays's plans a reality.

Yours sincerely

RT HON ROBERT JENRICK MP

Heads of Terms offer for Grays

Introduction

Grays is the civic heart of the Borough of Thurrock, situated on the northern bank of the mighty River Thames. Formerly a small port, with chalk quarries and brickworks, its current landscape is reflective of its natural geography created by the river and an artificial topography generated by excavation. Its heritage is fundamentally underpinned by a relationship to the River Thames which has a strong and persistent presence in the history of Grays. Nevertheless, Grays faces several key issues; poor diversification in employment, decline in employment, high levels of vacant units and low skills attainment.

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

The commitment

This document lays out the Heads of Terms offer to Grays, 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 Grays 's Town Investment Plan and project proposals. It sets out joint expectations as Grays enters the business case development phase.

Government will provide up to **a total of £19.9 million from the Towns Fund**, which will be used to enable Grays to reconnect the town centre with its riverside heritage, enhance the riverside experience and create lasting social and economic impact for the town. The Riverside will be both a transport and a recreational gateway. By improving access and visibility the River will unlock transformative Green space to be enjoyed by the whole community.

Grays has proposed a range of projects that will contribute towards achieving this vision. These include:

- Station Gateway
- Active Riverfront Connectivity
- Grays Riverfront
- Grays Beach Riverside Park & Kilverts Field: Leisure Destination
- Riverfront Activities Centre
- Grays Town Jetty

Grays 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 processes followed for each project
- An update on actions taken in relation to the Heads of Terms key conditions and requirements
- 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

Grays should conduct project assurance in line with agreed routes for each individual project and should provide further details on future private sector engagement, including detail on the different types of businesses engaged.

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, Grays 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.

Grays must then complete business cases for the projects being taken forward and submit the Summary Document within 12 months of the deal being agreed. MHCLG will then provide the agreed funding up to the maximum amount of **£19.9 million** for those projects, 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

The Town Deal offer is a maximum of **£19.9 million** of MHCLG funding in total.

Within this maximum amount, Grays may take forward projects selected from those listed below.

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)
<p>Station Gateway</p> <p>The Station Gateway Project will deliver two new buildings that help to diversify the town centre offer and will support the continuation of the high street to the south of the new underpass and critically towards the riverfront and other Town Fund projects</p>	£2.64m	N/A	<ul style="list-style-type: none"> • New Culture Facility- 350sqm • New Commercial / Start-Up Space- 225sqm • New Retail and F&B- smart furniture etc • Number of visitors to arts, cultural and heritage events and venues – 5000 pa • New Businesses – at least 3 	<ul style="list-style-type: none"> • Provide assurance that the underpass can be delivered in advance of, or in tandem with this project. • Provide further detail on the impact of this project through a broader range of outcomes, including how and how many businesses will benefit. 	N
<p>Active Riverfront Connectivity</p> <p>This Project aims for better connectivity and promotes active modes of travel. It will improve the legibility and sense of place south of Grays's town centre and the surrounding residential areas.</p>	£2.51m	N/A	<ul style="list-style-type: none"> • Improved Pedestrian Routes- 1.8km • New Table Crossing- 250sqm • New Planting- c.150 trees • New Lighting & Wayfinding- 50 new lights 	<ul style="list-style-type: none"> • N/A 	N
<p>Grays Riverfront</p> <p>This project will transform Grays's</p>	£5.59m	N/A	<ul style="list-style-type: none"> • New beach- 1.11ha • New Multi-use structures for events – c.50sqm 	<ul style="list-style-type: none"> • Provide a more detailed delivery plan that covers risks, 	N

Riverfront into a welcoming destination with high levels of public amenity and easy access to the river foreshore.			<ul style="list-style-type: none"> Enhanced public spaces- 860 sqm New pedestrian paths 200m by 3.5m Number of visitors to arts, cultural and heritage events and venues- 30 000 pa 	interdependencies and mitigation measures	
<p>Grays Beach Riverside Park & Kilverts Field: Leisure Destination</p> <p>This intervention seeks to embrace the natural uses of the riverfront further by connecting existing open spaces and the riverfront. The project seeks to achieve this through the provision of physical event infrastructure; small multi-use structures that can provide shelter and seating incorporating community-led public art displays, and; reconfiguring and extending the existing Lightship Café within Grays Beach to provide enhanced multi-use food and beverage offer for both visitors and the local community.</p>	£4.57m	N/A	<ul style="list-style-type: none"> Improvement to pedestrian access to Thames Road- 250m New Multi-purpose space for events / culture & arts- 14 000sqm Enhanced café – 300sqm Enhanced lighting- c.20 	<ul style="list-style-type: none"> N/A 	N
Riverfront Activities Centre	£3.04m	N/A	<ul style="list-style-type: none"> Flexible Community & Leisure Space- 1200sqm 	<ul style="list-style-type: none"> N/A 	N

<p>The project seeks to provide a dedicated 1,200 sqm (Gross Internal Area) activities centre. This will establish a strong sense of place with the riverfront connecting with Grays's maritime identity, history, and culture.</p>			<ul style="list-style-type: none"> • New Businesses- at least 6 • Number of visitors to arts, cultural and heritage events and venues- 5000 pa 		
<p>Grays Town Jetty</p> <p>This project will create a new Jetty to serve river bus services along the River Thames into and out of London and across the Thames into and out of Kent. The River Thames provides an under used resource for sustainable travel by river bus services for commuting and tourism with no river bus services currently operating in Grays</p>	£6.6m	N/A	<ul style="list-style-type: none"> • Passenger Movements- 50,000 pa • Average time taken to travel to work by usual method of travel – 45 minutes 	<ul style="list-style-type: none"> • Provide confirmation of Environment Agency approval • Provide confirmation of consent of the Port of London Authority • Provide further details on plan for land acquisition or status of arrangements for a license for works and access. 	N

General conditions

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

- **TIP Improvements:** Provide further details on future private sector engagement, including detail on the different types of businesses engaged.
- **Assurance:** The business cases for each project will be taken through Thurrock Council, in line with local assurance processes.
- **Public Sector Equalities Duty (PSED) and other assessments:** Thurrock Council will undertake programme-wide level impact assessment, relevant project-level impact assessment to meet their Public Sector Equalities Duty as well as carry out 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 received.

Within two months of accepting this offer, Grays 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.

Grays 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 the town wishes to alter the projects being developed, change them for other projects, or otherwise depart from the conditions placed on the projects above, they will 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.

Annex to Grays Town Deal Heads of Terms

For the Grays Town Jetty project, the required level of project development for the Full Business case (RIBA2=finishes with an option to submit a planning application) would not enable sufficient design development to secure the approvals referred to in the conditions attached to the Heads of Terms. For this reason The Grays Town Board and Thurrock Council can undertake to work closely with the Environment Agency, Port of London Authority and the Local Planning Authority throughout the next stages of project development to establish support in principle by the time of submitting the Full Business Case for this project, as discussed by the Chair of the Town Board with the MHCLG representative the Board understands an in principle approval is likely to be acceptable to MHCLG.