

Heads of Terms offer for Stevenage

Introduction

Stevenage was designated the UK's first new town, in 1946. It was founded on innovation, with a pioneering approach that set a blueprint for building new communities across the UK and Europe. It benefits from its key strategic location - it is at the heart of the Cambridge-Oxford-London 'golden triangle' and it has good road, rail and air connections. It has been identified as one of six Life Science Opportunity Zones by the Office for Life Sciences and as a High Potential Opportunity area by the Department for International Trade.

Nevertheless, Stevenage faces several challenges. Most significantly: ageing infrastructure and architecture, a town centre which is over reliant on retail, a lack of space for businesses to grow and a resident population that is in danger of being left behind in terms of skills and earnings.

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

The commitment

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

Government will provide up to **a total of £37.5 million from the Towns Fund**, which will be used to build on its New Town values and unlock growth in some of the UK's cutting-edge sectors, in a way which promotes and delivers opportunities for local people.

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

- Delivering the Stevenage Technology & Innovation Centre
- Developing the Stevenage Station Gateway
- Implementing the National New Towns Heritage Centre
- Improving the Gunnels Wood infrastructure
- Developing the Sports and Leisure Hub
- Implementing Digital infrastructure
- Creating the Stevenage Enterprise Centre
- Delivering Pedestrian and Cycling connectivity
- Developing Marshgate Biotech Office and Key Worker Housing
- Delivering the Garden Square

Stevenage Borough Council will need to prioritise these projects within the funding envelope being offered. The higher funding offer has been made based on the case Stevenage made for the national significance of its life sciences ambitions, therefore priority should be given to projects that directly contribute to furthering this ambition. 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

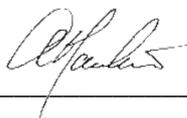
Stevenage should conduct project assurance in line with agreed routes for each individual project.

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, Stevenage 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.

Stevenage 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 **£37.5m** for those projects, provided that all of the conditions are met.

Signed:



Chair of the Town Deal Board



Chief Executive of lead Council



MHCLG Secretary of State / Minister

20/04/21

Date