Crawley Borough Council Town Hall The Create Building The Boulevard Crawley RH10 1UZ Reigate & Banstead Borough Council
Town Hall
Castlefield Road
Reigate
RH2 0SH

The Rt Hon Member Jim McMahon MP Minister of State for Local Government and English Devolution House of Commons London SW1A 0AA

21 March 2025

Dear Minister,

Maximising the growth potential of the Gatwick area through Devolution and Local Government Reorganisation

We (Crawley Borough Council and Reigate & Banstead Borough Council) are sending this letter, alongside the Surrey and West Sussex 21 March Interim Reorganisation Plan submissions, to highlight the future growth potential of our combined geographical area.

We do not believe that the current Surrey/West Sussex County boundary provides a sensible geography to maximise the economic growth potential of the successful Gatwick Diamond economic area (with Gatwick airport at its heart). And we are concerned that if future governance structures replicate the current administrative divide between our areas, this will constrain future housing delivery, improved connectivity, and the more efficient delivery of public services across our area.

We therefore request your support to enable us to continue to explore opportunities for a local government and strategic authority geography that is not pre-determined by existing county boundaries, prior to any final decisions on unitary or MSA boundaries being confirmed by Government.



The context for this letter and the Surrey and Sussex 21 March submissions

The Government is currently consulting on a Sussex and Brighton Mayoral Strategic Authority (MSA). At the same time, Surrey Local Authorities and Sussex Local Authorities have been invited to prepare proposals for Local Government Reorganisation (LGR), Surrey on an expedited timetable.

While both Reigate & Banstead and Crawley support the Government's ambitions as set out in the English Devolution White Paper, we have shared concerns that the differing approach that has been mandated for Surrey and Sussex respectively introduces a risk that the opportunity to secure the most appropriate governance structures for our two areas will be missed. We appreciate that exploring cross-county boundary options may be challenging and more complex; but we consider the benefits for future growth and service delivery makes considering these options worthwhile.

In the rest of the letter, we set out what we see to be the benefits of a Devolution and local government architecture that unites our authorities, rather than separating them along the lines of historic (but now illogical) county boundaries. And we explain how – with the right structures in place – our combined area can make a substantial contribution to the Government's growth ambitions.

A coherent functional economic area

The White Paper is flexible on some aspects of Devolution, but it is clear that strategic authorities **must** cover sensible economic geographies, with a particular focus on functional economic areas, travel to work patterns and local labour markets.

The Gatwick Diamond is a well-recognised and long-established economic geography; with Gatwick Airport – and the major economies of Crawley and Reigate & Banstead (i.e. boroughs in both Sussex and Surrey) at its heart.

Indeed, the Government's current Sussex and Brighton MSA consultation recognises the economic successes of the Gatwick Diamond. We won't repeat here the economic strengths of the area described in your own consultation, but we will elaborate.

Reigate & Banstead is the largest contributor of GVA to the Gatwick Diamond, and Crawley provides one of the largest GVA per capital in the South East of England. Together we represent two largest economies in the Diamond, contributing £13.05bn in GVA, which represents over 50% of the area's total contribution.

Gatwick Airport straddles the current county boundary, with Crawley and Reigate & Banstead residents being the airport's primary source of direct employment, but also our boroughs supporting the greatest amount of indirect and induced jobs and GVA. Manor Royal, adjacent to the airport, is one of the largest business parks in the South East; and the area around the airport is home to international businesses, whose supply

chains, as well as employee catchment areas, extend northwards through East Surrey and into Greater London.

The Government has declared that it is minded to approve expansion at the Airport. As public and private sector partners work together to formalise a strong Gatwick Airport Economic Zone, a MSA and Unitary geography that severs the airport from its catchment and markets to the north seems to us to be counterproductive. On the other hand, a solution that addresses our areas collectively will strengthen the growth opportunity in this area, giving us a stronger collective voice, boosting the substantial contribution that the Gatwick Diamond makes to the Exchequer, and providing a robust and sustainable basis to secure future inward investment in priority sectors in the decades to come.

Innovation and high growth clusters

The Gatwick Diamond is the location of choice for a number of important and high growth sector clusters, which make a major contribution to local economic output and productivity.

Crawley and Reigate & Banstead are together home to a cluster of world-class MedTech and life sciences manufacturing companies (including Elekta, Novo Nordisk, and Pfizer); and the area has also become a hub for aviation and defence manufacturing and training, attracting investment from some of the world's most advanced companies (such as Thales, Rapiscan, and Risbridger). The area's concentration of fulfilment operations extends beyond distribution centres to high-level operational and logistics hubs, supporting manufacturers and a wide technology ecosystem.

Across Crawley and Reigate & Banstead, our Financial, Insurance and Professional services sector is strongly connected to the London economy as well as taking advantage of global connectivity through Gatwick Airport. The Financial Services sector (companies such as Fidelity, Aon, eSure and AXA Insurance) make a substantial contribution to our GVA and employ thousands of people. As new technologies change the way these companies operate, there are opportunities for financial technology companies to leverage the market and grow their footprint in the Gatwick Diamond.

Recognition and optimisation of the scale and potential for growth of these and other clusters requires a collective view, planning and engagement. It is put at risk by the imposition of hard and artificial administrative boundaries, undermining the Government's growth agenda.

Sensible strategic spatial, housing, transport and infrastructure planning

We believe a cross-boundary Devolution and local government boundary also makes sense when it comes to strategic planning and investment.

Key national and regional transport corridors including the M23, and London-Brighton rail line run north-south through Reigate & Banstead and Crawley, connecting (in

Reigate & Banstead) to east-west road and rail corridors (the M25 and North Downs rail line connecting Gatwick to Surrey and the Thames Valley).

Coherent planning and investment around these transport corridors will be essential to support future economic growth and the efficient delivery of public services. Splitting strategic planning responsibility for these corridors will - as a minimum - add complexity and risk and may undermine the ability to unlock further investment.

Any future Gatwick Airport expansion will place significant pressure on the surrounding transport network, with around 80% of vehicles bound for the airport passing through Reigate & Banstead. In our view, Reigate & Banstead and Crawley being in the same strategic transport authority would mean we would be well placed to work with the Airport to ensure the most sustainable passenger travel options.

Both our authorities recognise the benefits of planning for strategic housing delivery across a wider area so that new housing can support economic growth, and benefit from properly planned supporting infrastructure whilst also protecting sensitive areas from over-development.

Crawley and Reigate & Banstead represents a key centre for the future growth referenced in both the West Sussex and Surrey Interim Plan submissions to Government. Basing local and strategic government around functional geography of our two areas has the potential to unlock new opportunities for strategic development opportunities (for both housing and commercial development) supported by the infrastructure investment needed to create genuinely sustainable places.

A local government geography that delivers efficiencies and high quality sustainable public services

Together, we are of the opinion that our two authorities would be able to deliver high quality and sustainable public services and deliver strong efficiency savings.

Direct financial savings would include those in relation to election costs, elected member costs, and senior staff salaries. Other efficiency savings could be secured over the longer term through reduced duplication of both back-office services and delivering front-line services over more coherent functional geographic areas; economies of scale; and digital transformation.

The opportunity for improved service provision arises from the bringing together of upper and lower tier services over a much more coherent functional geographic area while retaining a close local connection to our communities. It is recognised that many aspects of service provision even within social care, benefits (both from the perspective of quality and cost) from collaborative and agile working at the place level. Both Crawley and Reigate & Banstead have strong track records in working this regard.

Crawley and Reigate & Banstead's combined population currently sits at 276,500, with relatively high levels of population growth projected over the next 20 years. This is not large enough to meet the Government's target population of 500,000, and so is unlikely

to succeed on its own merits, despite the fact that there are over 70 unitaries with populations smaller or equivalent to our combined area. Nonetheless, the strength of the economic argument requires this to be considered further.

Supporting local identity, place and public service delivery

The interrelationships between our communities in Crawley and Reigate & Banstead are already strong, reflecting the local labour market, housing markets and transport networks, as well as the settlement structure and complementary roles of the towns within our two boroughs.

Since the White Paper was published and since you invited authorities in both Sussex and Surrey to put forward their proposals, both Crawley and Reigate & Banstead have been in informal discussion with key local partners.

We know that there is interest in a unitary geography that reflects our local area as it actually functions. For example, East Surrey Hospital (the acute regional hospital located in Reigate & Banstead) already operates across county boundaries and has expressed its support for a cross boundary unitary geography; and other health partners recognise the benefits of operating in a way that more closely recognises the communities in our boroughs and linkages between them. Surrey and Sussex Police operate shared back office and specialist crime functions. Businesses in the local area recognise the Gatwick Diamond more than administrative boundaries.

Reigate & Banstead is partially parished, whereas Crawley, as a compact new town with its own borough council, has not required a tertiary layer of local government to date. As part of any new arrangement, we would look to undertake a community governance review across the area to ensure that local community representation under new structures is as effective as possible and consider other mechanisms for place-based working.

In conclusion

The 21 March submission to Government from Surrey County Council notes that "Whilst we explore the opportunity for a Mayoral Strategic Authority on a Surrey footprint, we also remain open to conversations with our neighbours about Devolution on a wider footprint". The West Sussex submission sets out a route map to arrive at the optimal solution explicitly providing space for discussions between Crawley and Reigate & Banstead, and potentially more widely in Surrey, to take place.

Administrative boundaries across our combined area have changed before. Parts of Crawley have previously been in Surrey, and in the past, there has been discussion about amalgamating parts of Reigate & Banstead within Sussex. The current county boundary between Surrey and West Sussex reflects a decision that was made at a particular point in time.

Today, and into the future, we do not believe that the current boundary provides a sensible geography that can best support economic growth around Gatwick Airport,

housing delivery, improved connectivity, and the more efficient delivery of public services.

We seek your support to enable us to continue to explore opportunities to address - rather than perpetuate - the current boundary anomaly; and in doing so maximise the opportunities for one of the strongest economic areas in the South East of England to contribute to your Government's growth ambitions.

Yours sincerely,

Cllr Richard Biggs,

Leader of Reigate & Banstead Borough Council and Conservative Party Group Leader

Cllr Michael Jones

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Leader of Crawley Borough Council and Labour Party Group Leader