

Extension of the funding agreements between Tendring District Council and Essex County Council for the Local Regeneration Fund (formerly Levelling Up Fund and Capital Regeneration Projects)

On 23 June 2023 Cabinet considered a report titled 'Clacton Civic Quarter Levelling Up Fund (LUF) Bid, Dovercourt Town Centre Improvement Corridor Capital Regeneration Project (CRP) Bid'. As part of that report, Cabinet delegated authority to the Portfolio Holder for Economic Growth, Regeneration and Tourism in consultation with the Deputy Chief Executive & Corporate Director Place and Wellbeing, Section 151 and Monitoring Officers to approve the Heads of Terms for the various agreements.

On 2nd January 2024, the Heads of Terms for funding agreements were approved and agreements subsequently entered between Tendring District Council, as the Accountable Body, and Essex County Council, as the Delivery partner, for Local Regeneration Fund projects ([link to decision](#)).

The relevant projects are as follows:

- Clacton Hub
- Kingsway Public Realm Improvements
- Harwich Library

In the report to the Portfolio Holder in August 2025 regarding the procurement of the TDC-led projects ([link to decision](#)), an update was provided that the funding envelope had been extended by the Ministry for Housing, Communities and Local Government (MHCLG) in April 2025, through to March 2027. Since this time further updates to the guidance have been published by MHCLG rebranding funding programmes including the Levelling Up Fund and Capital Regeneration Projects under the new umbrella of Local Regeneration Fund, including a further extension to the deadline through to March 2028. The new fund also confirmed simplified monitoring & reporting returns and a simplified payment structure.

Work to date

Grant agreements were subsequently entered as follows:

- One agreement relating to the Clacton Hub, formerly Levelling Up Fund
- One agreement relating to Kingsway Public Realm Improvements and Harwich Library

The original agreements were on the basis of the following key points, as approved in the decision of 2 January 2024:

- The funding agreements between TDC and ECC mirror the respective Memorandums of Understanding TDC have entered into with DLUHC as Lead Authority for the delivery of each of the LUF and CRP projects.
- The Recipient (ECC) shall use the Grant only for the Purpose and in accordance with the terms and conditions set out in the funding agreement.
- The Recipient's Section 151 Officer will be required to provide TDC with written confirmation through a signed Statement of Grant Usage and corresponding Quarterly Monitoring Return that the Project continues to represent value for money.
- TDC shall pay the Grant to the Recipient in the amount shown in the Quarterly Monitoring Return completed by the Recipient and returned to the Accountable Body as set out above.

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- The amount of the Grant awarded to the Recipient shall not be increased in the event of any overspend by the Recipient in its delivery of the Projects.

Next steps

The funding has now been remodelled by MHCLG as the funder, including new branding, new guidelines and an extension to the funding envelope, thus in order to continue in the spirit of the above key points, the grant agreements require adjusting.

The agreements have been drafted by the Contracts Lawyer within the Project Delivery Unit with input from Essex Legal Services. The amendments made to the original agreements are as follows:

- To amend the title of the funding to Local Regeneration Fund as per revised guidance from MHCLG as the funder;
- To amend the funding agreements extend the deadline through to March 2028 to mirror the above revised guidance;
- To amend the payment terms to mirror the above revised guidance.