CABINET

24 JULY 2026

REPORT OF THE PORTFOLIO HOLDER FOR ECONOMIC GROWTH, REGENERATION AND TOURISM

A.3 PRIDE IN PLACE PROGRAMME CLACTON-ON-SEA: CAPACITY FUNDING, YEAR 1 DELIVERY FUNDING, MEMORANDUM OF UNDERSTANDING AND DELEGATED AUTHORITY ARRANGEMENTS

PART 1 KEY INFORMATION

PURPOSE OF THE REPORT
This report formally advises Council of the UK Government's endorsement of the Pride in Place 10 Year Vision and Investment Plan and the intended release of the Year 1 funds to pursue the initial delivery steps in the Vision. The Vision was developed and approved through the Clacton Town Board and the area to which the Vision applies is that of Clacton-on-Sea and Holland-on-Sea. This Council is the Accountable Body under the programme and, through a decision of the Leader in November 2025, endorsed the principles set out in the 10 Year Vision. The Council has previously received funds under Pride in Place to meet expenditure associated with the development of the 10 Year Vision and community engagement. Prior to this report, a number of decisions have been taken since the initial identification of Clacton as a locality to receive £20M over 10 years from the UK Government. This report seeks Cabinet's approval to confirm and implement the financial and governance arrangements necessary to give effect to the decisions of the Clacton Town Board in respect of the Clacton Pride in Place Programme. Specifically, the report seeks: • Approval of the Year 1 Delivery Funding allocation (£360,000 capital and £232,000 revenue) and the proposed projects to be funded in 2026/27 as approved by the Clacton Town Board at its meeting on 27 March 2026; • Approval of a Memorandum of Understanding between Tendring District Council (as Accountable Body) and the Clacton Town Board (MoU 1 the TDC/Board MoU), which sets out the governance, assurance and programme management arrangements between the two parties; • Approval of the Memorandum of Understanding between Tendring District Council (as Accountable Body) and the UK Government's Ministry of Housing, Communities and Local Government (MHCLG) (MoU 2 the TDC/MHCLG MoU), which is the grant agreement with the UK Government and which must be signed by TDC and returned to MHCLG before Year 1 delivery funding (£360,000 capital and £232,000 revenue) can be released; and • Delegation of authority to give effect to funding decisions of the Clacton Town Board, including the ability to vary spending arrangements where necessary, subject to the governance safeguards set out in this report.

EXECUTIVE SUMMARY
The Clacton Pride in Place Programme (formerly Plan for Neighbourhoods and, before that, Long Term Plan for Towns) is a UK Government-funded regeneration programme for Clacton-on-Sea. The Clacton Town Board, established in March 2024, oversees delivery of up to £20 million over ten years under the programme. This Council acts as the Accountable Body for the programme, and is responsible for ensuring compliance with legal, procurement and financial requirements. The Board's 10-Year Vision and 4-Year Investment Plan was submitted to MHCLG in November 2025 and formally endorsed on 23 March 2026. This endorsement triggers the requirement to finalise and sign two separate Memoranda of Understanding (MoU) before Year 1 delivery funding can be released: • MoU 1 TDC/Board MoU: the governance agreement between TDC as Accountable Body and the Clacton Town Board, setting out the programme management, assurance and financial control arrangements between the two parties. MHCLG has confirmed it wishes to see this document before it is finalised. A draft was approved by the Board at its January 2026 meeting and a revised version approved at the March 2026 meeting. This MoU is attached at Appendix B. • MoU 2 TDC/MHCLG MoU: the grant agreement between TDC as Accountable Body and the UK Government (MHCLG). This is the document that directly triggers the release of Year 1 delivery funding (£360,000 capital and £232,000 revenue) once it has been signed by TDC and returned to MHCLG. This MoU is attached at Appendix C. In advance of the Year 1 delivery funding to which this report relates, the programme has received £600,000 in capacity funding, of which £129,237 has been spent and a further sum committed. The capacity funding has been used to establish governance structures, develop the Regeneration Plan, undertake community engagement, build the Love Clacton brand and appoint key staff including the Programme Manager and part-time Communications Officer. Year 1 delivery funding of £360,000 capital and £232,000 revenue is now available subject to both MoUs being signed. The Clacton Town Board has approved the Year 1 delivery programme and budget at its meeting on 27 March 2026. The first MHCLG six-monthly monitoring return was submitted in May 2026 in respect of the use of the capacity funding and the initial plans for Year 1 delivery funding. This report seeks the necessary Cabinet approvals and delegations to enable this Council as Accountable Body to sign both MoUs and implement the Board's Year 1 funding decisions efficiently and transparently, in compliance with MHCLG requirements and the Council's own governance obligations.
RECOMMENDATION(S)
It is recommended that Cabinet: **(a) welcomes the endorsement by the UK Government of the locally developed and approved 10 Year Vision and Investment Plan for Clacton as the principal document for delivery of the Pride in Place programme here;**

(b) approves the Year 1 delivery funding programme for the Clacton Pride in Place Programme, as set out in this report and Appendix A, comprising £360,000 capital and £232,000 revenue as approved by the Clacton Town Board at its meeting on 27 March 2026;

(c) approves:

(1) the finalised Memorandum of Understanding between this Council (as Accountable Body) and the Clacton Town Board (MoU 1 TDC/Board MoU) as set out at Appendix B to this report, and authorises the Chief Executive to then sign on behalf of the Council;
(2) the Memorandum of Understanding between Tendring District Council (as Accountable Body) and the Ministry of Housing, Communities and Local Government (MoU 2 TDC/MHCLG MoU) as set out at Appendix C to this report and authorises the Chief Executive to then sign on behalf of the Council. This signature will trigger the release of Year 1 delivery funding;

(d) delegates authority as follows to give effect to delivery funding decisions of the Clacton Town Board (upon production of an approved Minute from the Board/confirmation of a decision taken by Board Members outside of a meeting) that fall within the approved budgets and is otherwise in accordance with the MoUs applicable to this programme:

(1) Capital delivery funding is delegated to the Portfolio Holder for Economic Growth, Regeneration and Tourism to authorise capital expenditure decisions in line with Board resolutions;
(2) Revenue delivery funding is delegated to the Deputy Chief Executive following consultation with the Council's Section 151 Officer; and

(e) notes that future year allocations of delivery funding will be reported to Cabinet within the appropriate budget update report and the delegations in 4. above will apply to those funds.

REASON(S) FOR THE RECOMMENDATION(S)

This Council has obligations as the Accountable Body for the Pride in Place Programme to ensure that public funds are utilised appropriately, that procurement requirements are observed and that openness and transparency requirements are complied with. The MoU between the Board and the Council (at Appendix B) sets out the governance framework within which these obligations are to be discharged.

Cabinet approval of the MoU and of the delegation to implement the Board's delivery funding decisions is therefore an essential step in enabling the programme to move into that delivery phase.

The delegation sought in Recommendation 4 is necessary to avoid each individual funding decision of the Board requiring a separate Cabinet report, which would create unacceptable delays in programme delivery. The delegations do not over-ride separate decision making in respect of the individual elements of that overall budget allocation (following a decision by the Clacton Town Board).

ALTERNATIVE OPTIONS CONSIDERED
Not to approve the MoU or the delegation sought in this report has been considered and discounted. Not to approve these would mean that Year 1 delivery funding could not be released, and every individual project funding decision of the Clacton Town Board would require a separate report to Cabinet. This would create significant delays to programme delivery, risk non-compliance with MHCLG requirements and undermine the Board's ability to demonstrate progress to the community.

PART 2 IMPLICATIONS OF THE DECISION

DELIVERING PRIORITIES
The Pride in Place Programme directly supports the following Cabinet priorities as set out in the Council's Recast Priorities document (November 2025): • Pride in our area and services to residents the programme is explicitly listed as a Cabinet priority and is entirely focused on improving pride in Clacton-on-Sea through physical regeneration, community engagement and town centre improvements under the Love Clacton brand. • Raising aspirations and creating opportunities Year 1 projects including the Youth Board Participatory Budget, Vacant Units Activation Programme, Skills Fund development and Shopfront Improvements Phase 2 directly address this priority. • Working with partners to improve quality of life the programme is delivered through a cross-sector partnership model spanning TDC, Essex County Council, NHS, Essex Police, the voluntary sector and local businesses.
OUTCOME OF CONSULTATION AND ENGAGEMENT
The Clacton Town Board undertook extensive community, business and stakeholder engagement during the development of the 10-Year Vision and 4-Year Investment Plan, carried out by CVS Tendring. This engagement covered residents, businesses, visitors and young people and directly informed the Regeneration Plan submitted to MHCLG. MHCLG specifically commended the Board for its investment in engaging the community and shaping the Pride in Place plan. The Government has asked the Board to maintain strong and visible engagement as the programme moves into delivery, ensuring the community continues to feel ownership of the plan. This report has not been subject to specific public consultation as it concerns the internal governance and financial arrangements for implementing decisions already taken by the constituted Clacton Town Board. The Clacton Town Board has considered the proposed MoU between it and the Council and has agreed with its content.
LEGAL REQUIREMENTS (including legislation & constitutional powers)
This Council acts as Accountable Body for the Pride in Place Programme under the terms of its designation by MHCLG. In this capacity, it is responsible for ensuring that public funds are managed in accordance with Managing Public Money guidance, the Local Government Act 1999

(Best Value), TDC's Financial Procedure Rules and Contract Standing Orders, and the Procurement Act 2023.

Two separate Memoranda of Understanding are required in connection with this programme:

- MoU 1 TDC/Board MoU (Appendix B): sets out the governance, assurance and programme management arrangements between TDC and the Clacton Town Board. MHCLG has confirmed it wishes to see this document before it is finalised.
- MoU 2 TDC/MHCLG MoU (Appendix C): the grant agreement with the UK Government. This must be signed by TDC and returned to MHCLG before Year 1 delivery funding can be released. Signature of this document is the direct trigger for funding release.

The delegation of authority sought in Recommendation (d) is consistent with this Council's Constitution and the Council's scheme of delegation, including the Cabinet decision of 25 July 2025 in respect of revenue spending (in that case capacity funds).

All investment proposals recommended by the Board will be subject to this Council's governance processes including risk, value for money, equality, climate impact and financial analysis before implementation, in accordance with MoU 1.

Is the recommendation a Key Decision (see the criteria stated here)	**YES**	**If Yes, indicate which by which criteria it is a Key Decision**	☑ **Significant effect on two or more wards** ☑ **Involves £100,000 expenditure/income** ☑ **Is otherwise significant for the service budget**
		And when was the proposed decision published in the Notice of forthcoming decisions for the Council (must be 28 days at the latest prior to the meeting date)	**22 June 2026**

☑ **The Monitoring Officer confirms they have been made aware of the above and any additional comments from them are below:**

It is noted within the body of the report that the first MHCLG six-monthly monitoring return was submitted in May 2026 in respect of the use of the capacity funding and the initial plans for Year 1 delivery funding. Updates on performance should also be provided to Cabinet to ensure that delivery against the plan is being monitored in an open and transparent manner and scheduled accordingly.

FINANCE AND OTHER RESOURCE IMPLICATIONS

Capacity Funding: The programme has received £600,000 in capacity funding in total (£250,000 in 2024/25, £200,000 in 2025/26 and £150,000 in March 2026). This is not subject to restrictions requiring it to be spent in the year it was received.

Year 1 Delivery Funding: The Year 1 delivery funding allocation comprises £360,000 capital and £232,000 revenue. This funding has been approved by MHCLG and will be released to TDC as Accountable Body once the MoU between them and the Council is signed. All expenditure will be managed in accordance with TDC's Financial Procedure Rules and the MoU.

Year 2 Delivery Funding (for information): The programme funding split is approximately 75% capital and 25% revenue. On this basis, Year 2 delivery funding is expected to comprise approximately £1,736,000 capital and £256,000 revenue a significant step up from Year 1, particularly on the capital side. These receipt of the funds will require separate Cabinet approval at the appropriate time.

Delegation of authority: Given the split between capital and revenue delivery funding, it is proposed that capital delivery spending decisions (Year 1: £360,000; Year 2: £1,736,000) are authorised by the Portfolio Holder, whilst revenue delivery spending decisions (Year 1: £232,000; Year 2: £256,000) are authorised by the Deputy Chief Executive (following consultation with the Section 151 Officer). This mirrors the existing 'capacity' funding delegation agreed by Cabinet on 25 July 2025. Revenue delivery funding in Years 1 and 2 (£232,000 and £256,000 respectively) remains below the £600,000 total capacity funding envelope, providing a useful reference point for proportionality of delegation.

There are no direct financial implications for this Council's general fund as the programme is entirely funded by the UK Government grant. The Council's costs of acting as Accountable Body are met from within existing resources, with the exception of the Programme Manager salary and the part-time Communications Officer salary, both of which are funded directly from the Pride in Place capacity funding allocation.

☑ The Section 151 Officer confirms they have been made aware of the above and any additional comments from them are below:

Although there are no significant comments over and above those already set out elsewhere within this report, it is worth highlighting the pragmatic and proportionate approach proposed relating to MOU1 that supports the Council in meeting its own obligations as the Accountable Body along with the proposed delegations relating to future Capital and Revenue expenditure. In respect of this latter point, as highlighted earlier, such decisions will be included within future monitoring reports for completeness and supporting openness / transparency.

USE OF RESOURCES AND VALUE FOR MONEY

A) Financial sustainability: how the body plans and manages its resources to ensure it can continue to deliver its services;	The programme is fully externally funded by the UK Government. TDC's role as Accountable Body is funded from within existing resources and from the capacity funding allocation. The MoU includes robust financial controls, audit arrangements and a comprehensive Risk Register reviewed quarterly.
B) Governance: how the body ensures that it makes informed decisions and properly manages its risks, including; and	The MoU sets out the governance, assurance and programme management arrangements, including the roles of the Section 151 Officer, Monitoring Officer and Internal Audit. All investment decisions are assessed against agreed criteria including strategic fit, deliverability, value for money, community support and social/environmental/economic impact.
C) Improving economy, efficiency and effectiveness: how the body uses information about its costs and performance	The programme will be subject to MHCLG's six-monthly monitoring returns, which measure progress against programme objectives and outputs. TDC will conduct bi-

to improve the way it manages and delivers its services.	monthly reporting to the Board and annual public reporting. Costs are benchmarked and benefits are quantified at appraisal, delivery and post-completion stages.

MILESTONES AND DELIVERY

Key milestones for the programme are as follows:

- MoU between TDC and the Clacton Town Board to be signed following Cabinet approval [June 2026]
- UK Government MoU signed to be signed by TDC and returned to MHCLG to release Year 1 delivery funding [June/July 2026]
- Year 1 delivery funding received (£360,000 capital + £232,000 revenue) [Spring/Summer 2026]
- Four operational sub-groups established and first meetings held [summer 2026]
- Love Clacton Launch Event delivered [summer 2026]
- Town Centre Manager recruited [July/August 2026]
- Key Year 1 projects commenced including Enforcement Support, Shopfront Improvements Phase 2, Town Centre Public Realm and Vacant Units Activation Programme [Summer/Autumn 2026]
- Second MHCLG monitoring return submitted [October 2026]
- Board meeting [2 October 2026]
- Board meeting [11 December 2026]

ASSOCIATED RISKS AND MITIGATION

The principal risks associated with this report and their mitigations are:

- Delay in signing the MoU this would prevent Year 1 delivery funding being released and delay programme delivery. Mitigation: Cabinet approval of the MoU is sought at this meeting; the Chief Executive is authorised to sign on behalf of TDC without further delay.
- Failure to comply with MHCLG programme requirements this could result in funding being clawed back or future tranches being withheld. Mitigation: robust governance arrangements are in place via the MoU; the S151 Officer provides independent financial oversight; MHCLG monitoring returns are submitted on time.
- Town Centre Manager post remaining vacant this could delay delivery of several Safe and Lively projects. Mitigation: post is being re-recruited on a longer-term contract; Programme Manager is holding key relationships in the interim.
- Local Government Reorganisation the creation of a new unitary authority for North East Essex from April 2028 may affect the Board's governance structure and TDC's role as Accountable Body. Mitigation: the MoU includes provision to adapt governance arrangements in line with LGR; MHCLG is being kept informed.

EQUALITY IMPLICATIONS

An Equality Impact Assessment has not been prepared specifically for this report as it concerns governance and financial arrangements rather than direct service delivery. The individual projects funded through the Pride in Place programme will each be subject to equality impact assessment as they are developed and approved. The programme's community engagement strategy specifically seeks to engage underrepresented groups and the Board's governance requirements include at least 51% of membership being people who live or work in the Clacton area.

SOCIAL VALUE CONSIDERATIONS

The Pride in Place programme is fundamentally a social value investment its entire purpose is to improve the economic, social and environmental wellbeing of Clacton-on-Sea and its residents. The programme's three themes (Safe and Lively, Prosperous and Healthy) directly address social value outcomes including community cohesion, economic opportunity, health and wellbeing and environmental quality. All investment decisions are assessed against social, environmental and economic impact criteria as set out in the MoU.
IMPLICATIONS RELATED TO DEVOLUTION AND/OR LOCAL GOVERNMENT REORGANISATION
As noted in the risks section above, Local Government Reorganisation (LGR) for Greater Essex with a new unitary authority for North East Essex expected from April 2028 will affect the future governance of the Clacton Town Board and TDC's role as Accountable Body. The Board agreed in January 2026 to consider membership implications ahead of May 2027. The programme is also required to move to a community-led incorporated model (such as a charity or Community Interest Company) within three years. These matters will be reported to the Board and Cabinet at the appropriate time.
IMPLICATIONS FOR THE COUNCIL'S AIM TO BE NET ZERO BY 2050
The Pride in Place programme includes provisions to ensure that funded projects seek to protect the environment, avoid excess use of carbon fuels and promote reuse and recycling where possible. These requirements are embedded in the Service Level Agreement template that accompanies all funding decisions. Specific projects such as the Active Journeys and Places Programme and the Town Centre Housing Uplift Programme have direct climate co-benefits.
OTHER RELEVANT CONSIDERATIONS OR IMPLICATIONS
Crime and Disorder: The Enforcement Support and Tactical Response Team projects funded through the programme directly address crime and disorder in Clacton town centre. The Community Safety Partnership is represented on the Clacton Town Board through Chief Inspector Stuart Austin. Health Inequalities: The Healthy theme of the programme addresses health inequalities through the Sports and Activity Grants, Active Journeys Programme and Town Centre Housing Uplift. The Selective Licensing Feasibility Study being commissioned through HDRC Greater Essex will specifically examine health determinants related to housing quality. Subsidy Control: All funding decisions will be assessed for subsidy control compliance in accordance with the Subsidy Control Act 2022 and related statutory guidance, as part of TDC's governance processes as Accountable Body. Area or Ward affected: The Pride in Place programme boundary covers Clacton-on-Sea town centre and is a UK Government-defined area. Multiple wards within Clacton-on-Sea are affected.

PART 3 SUPPORTING INFORMATION

BACKGROUND
The Clacton Town Board was established in March 2024 under what was then the Long Term Plan for Towns programme. The programme was subsequently renamed the Plan for Neighbourhoods and then,

in September 2025, the Pride in Place Programme. The Board's 10-Year Vision and 4-Year Investment Plan was submitted to MHCLG in November 2025 and formally endorsed on 23 March 2026.

The programme provides up to £20 million over ten years for the regeneration of Clacton-on-Sea, with delivery organised around three themes: Safe and Lively, Prosperous and Healthy. This Council acts as Accountable Body and has received £600,000 in capacity funding to date to support programme development. Year 1 delivery funding of £360,000 capital and £232,000 revenue has now been approved by MHCLG.

Although the capacity funding is a relatively small amount compared with the delivery funding that is to be received, it has been possible to utilise this for shop wrapping of empty units (where we could secure the agreement of the shop owners), lamp-post banners, a Town Board Website and the extensive engagement that delivered the 10 Year Vision now endorsed by the UK Government.

As an overarching framework for the Council as Accountable Body and the UK Government's MHCLG in respect of the Pride in Place Programme is set out in the Memorandum of Understanding at Appendix C (MoU 2 TDC/MHCLG MoU). This sets out, among other things, reference to circumstances where costs could be over and above the Grant Funding under the Pride in Place Programme. By accepting the agreement, the Council does not commit to meeting also such cost overruns etc. The need for good financial and project management has been a strong influence in establishing the other Memorandum of Understanding between the Council and the Clacton Town Board. This seeks to embed good decision making in respect of the local Pride in Place Programme.

The Memorandum of Understanding between the Board and the Council was approved in draft by the Board on 30 January 2026 and a revised version presented to the Board on 27 March 2026. MHCLG has seen the MoU and raised no issues with it. Cabinet approval is now sought to finalise and sign the MoU and to put in place the delegated authority arrangements necessary to implement the Board's funding decisions.

The Programme Manager (Naomi Richards) was appointed through Public Practice and took up post in April 2026.

PREVIOUS RELEVANT DECISIONS

- Clacton Town Board capacity Fund Allocation 10 October 2024 (Minute 30 refers)
- Cabinet report 24 May 2024 (Minute 10 refers)
- Clacton Town Board Set Up: Decision 1 March 2024
- Cabinet Report 15 December 2023 (Minute 65 refers)
- Cabinet Report 25 July 2025 (Minute 44 refers)
- Leader decision on 3 December 2025 'in principle' support for the Clacton Town Board's 10 Year Vision
- Cabinet Report 24 April 2026 (Minute 141 refers)

BACKGROUND PAPERS AND PUBLISHED REFERENCE MATERIAL

- Clacton Town Board Agenda Papers 27 March 2026 (published on the Council's website)
- Clacton Town Board Agenda Papers 30 January 2026 (published on the Council's website)
- MHCLG Pride in Place Programme Guidance December 2025
- MHCLG Pride in Place Monitoring Guidance March 2026
- MHCLG Endorsement Letter 23 March 2026

APPENDICES
Appendix A - Year 1 Delivery Funding Programme and Budget (as approved by the Clacton Town Board, 27 March 2026) Appendix B - Memorandum of Understanding between Tendring District Council (Accountable Body) and the Clacton Town Board (MoU 1 TDC/Board MoU) Appendix C - Memorandum of Understanding between Tendring District Council (Accountable Body) and the Ministry of Housing, Communities and Local Government (MoU 2 TDC/MHCLG MoU)

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