



19 October 2026

Mike Greene
Chief Executive
Stockton-on-Tees
Borough Council
Municipal Buildings
Church Road
Stockton-on-Tees
TS18 1LD

Dear Mike

Billingham Town Centre Regeneration – Funding Commitment of £10 million

Further to discussions between Tees Valley Combined Authority ("TVCA") and Stockton-on-Tees Borough Council ("the Council"), we write to confirm TVCA's commitment to provide funding of up to £10 million towards the further regeneration of Billingham Town Centre.

TVCA acknowledges that the Council is presently considering the acquisition of Billingham Town Centre and that, in taking that decision, the Council requires sufficient certainty as to the availability and intended use of the further funding described in this letter.

Funding Commitment

TVCA confirms that £10 million is committed to the Council for the Billingham Town Centre regeneration programme and will be reserved for that purpose, subject to the conditions set out below.

This funding is to be taken from the Council's indicative allocation of the Town Centre Regeneration programme of activity included within the Local Transport Delivery Plan (LTDP) programme that was approved by TVCA Cabinet on 25 September 2026, which is to be submitted to the Department for Transport for final ratification by 31 October 2026.

The funding is intended to facilitate the creation of a town centre regeneration development platform, including the demolition of existing structures and the creation of new infrastructure and public realm.

For the avoidance of doubt, this may include demolition, site clearance and preparation, enabling works, highways and access works, infrastructure and utilities, public realm and other directly related works necessary to create and unlock a development platform at Billingham Town Centre, where those activities are included within an approved business case.

Anything
is possible

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Business Case and Drawdown

The commitment of the £10 million is made by this letter. Drawdown of the funding will be subject to the Council submitting, and TVCA approving, one or more detailed business cases in accordance with TVCA's applicable assurance and approval arrangements.

The purpose of that process will be to confirm the detailed scope, costs, deliverability, value for money, outputs and eligibility of the proposed expenditure. It will not require the Council to compete afresh for the £10 million committed by this letter.

TVCA will consider any business case submitted by the Council promptly and reasonably and, provided that it demonstrates that the proposed expenditure:

- falls within the purposes described in this letter;
- represents an eligible and deliverable use of the funding;
- satisfies TVCA's applicable assurance requirements, including value for money; and
- complies with applicable legal and funding requirements,

TVCA will approve the relevant drawdown and make the funding available in accordance with an appropriate funding agreement and payment arrangements.

Reliance and Conditions

TVCA acknowledges that the Council may rely upon the funding commitment contained in this letter when determining whether to proceed with the acquisition of Billingham Town Centre and in planning the subsequent regeneration programme

The commitment is therefore not subject to TVCA subsequently deciding whether to allocate the £10 million to Billingham Town Centre. The remaining conditions relate to the approval of the detailed business case and subsequent drawdown of the funding.

TVCA's obligation to provide the funding will cease only if:

- the Council does not secure approval of an eligible business case by 31 March 2029;
- the proposed use of the funding falls materially outside the purposes described in this letter;
- payment would be unlawful or would place TVCA in breach of the conditions attached to the underlying funding; or
- the Council and TVCA otherwise agree in writing.

Subject to those matters, TVCA will not withdraw or reallocate the £10 million commitment without the Council's written agreement.

Legal Effect

TVCA confirms that all approvals necessary for it to give the commitment contained in this letter have been obtained.

This letter is intended to create legal relations and constitutes a binding commitment by TVCA to provide up to £10 million to the Council on the terms set out above.

This letter and any dispute or claim arising out of or in connection with it shall be governed by and construed in accordance with the law of England and Wales.

Yours sincerely,



Jonathan Spruce
Director of Infrastructure
for and on behalf of Tees Valley Combined Authority



Acknowledged and accepted for and on behalf of Stockton-on-Tees Borough Council

Signed:

Name:

Title:

Date:

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