

Overview of S106 funding



Last updated: 3 April 2023

1. Why are S106 contributions collected?

- a. S106 contributions^A are payments from developers/property owners aimed at mitigating the impact of development. New housing/other development^B leads to more demands on local facilities (e.g., play areas, open spaces, community meeting spaces, sports centres, playing pitches & changing rooms). Where this impact is not addressed through on-site provision, the Council seeks off-site S106 contributions for new/improved off-site facilities in the city.
- b. The use of contributions has to be in line with the relevant S106 agreement, planning policy & official regulations. They must be: necessary to make the development acceptable in planning terms; directly related to the development and fair & reasonable in scale & kind.

2. How are S106 contributions used in Cambridge?

S106 agreements set out the contributions due under various categories^C. The contribution types under which S106 funds are still available in some parts of the city include:

| Types | Examples of projects that can mitigate the impact of development: |
|-----------------------------------|--|
| Informal open spaces ^D | For council-owned/managed parks & open spaces: landscaping, habitat creation, drainage, trees/shrubs, paths/surfacing, fencing/gates, benches, bins, signs & noticeboards. |
| Play provision | New/improved, outdoor public play areas and facilities (City Council-owned/managed) for children and teenagers, including related safety surfacing. |
| Public art | New & original, high quality public art, which is accessible to the public, involves an artist, engages the community and has a lasting legacy. ^E |
| Community facilities | Improvements to community halls and meeting rooms and/or upgrades to their kitchens, toilets, storage and furniture/equipment. |
| Outdoor sport | Tennis courts, basketball and multi-use games areas, outdoor 'fit kit', sports pavilions/changing rooms for outdoor sport & sports equipment. |
| Indoor sport | Indoor gyms, indoor sports changing rooms & indoor sports equipment. |

- a. All contributions secured by the Council since April 2015 are **specific**, identifying their use for particular projects to mitigate the impact of particular developments. This has to be agreed up-front, within a limited time period, as part of the planning approval process. Beyond major growth sites^F, the Council has 'target lists'^G of play areas, open spaces, outdoor/indoor sports & community facilities where off-site mitigations might be needed, as a starting point for negotiating specific contributions for developments. See the Appendix.
- b. Before the April 2015 regulation changes, the Council used to secure **generic** contributions (not limited to a providing/improving a particular facility), which enabled greater choice about

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- A. Refers to Section 106 of the Town & Country Planning Act 1990. The Council mitigates the impact of development by securing S106 funding, instead of operating a Community Infrastructure Levy.
 - B. New developments of 10 or fewer homes are exempt from S106 contributions.
 - C. S106 funds agreed for one contribution type cannot be used to fund another type of infrastructure.
 - D. For use on protected open spaces, set out in our Open Spaces & Recreation Strategy 2011.
 - E. The Council no longer seeks off-site public art S106 funding, but aims to secure on-site public art in appropriate cases, through planning conditions.
 - F. For major growth sites, on-site facility provision tends to be negotiated on a case-by-case basis.
 - G. Set out in scrutiny committee reports in March & June 2016. Reviewed in March 2019.

which relevant projects to fund once the contributions were paid. Most generic contributions have been allocated or spent via (usually annual) S106 funding rounds. However, in 2022/23, the Council has taken stock of the remaining generic S106 funds, which are dwindling and unevenly spread across the city. As a result, the next generic S106 funding round will take place in 2023/24 (more details are likely to be announced in spring 2023).

3. How will the 2023/24 generic S106 funding round work?

The search for new projects to mitigate the impact of development will be targeted on those parts of the city where generic S106 funds in particular contribution types are still available.

In October 2021, the relevant executive councillors agreed that the next round for seeking proposals for improving play areas & open spaces will be based on discussions with the relevant ward councillors. Alongside this, the Council will also seek applications from local community & sports groups for small-scale improvements to the furnishings/equipment at their facilities, which would help them to provide additional benefit to local communities^H.) As usual, proposals & grant applications will be assessed against clear criteria^I, highlighting the need for projects to be:

- eligible for S106 funding (i.e., within the city of Cambridge and not for repairs and maintenance, like-for-like replacements or running costs);
- affordable within the relevant S106 funding available in particular parts of the city;
- an effective use of resources (e.g., reflecting priorities in Council strategies);
- focussed on mitigating the impact of development & providing additional benefit;
- accessible, in line with Council grants and equalities policies;
- realistic, achievable & ready to be delivered (say, within 12-18 months or sooner); and
- financially viable, with a robust business case and/or management plan.

The relevant executive councillors make generic S106 funding decisions after scrutiny committee consideration, subject to sign-off of project delivery arrangements by managers.

4. Which S106 contributions are used to fund which projects?

We manage S106 contributions carefully so they are used for the intended purpose, in a timely way^J and on projects that are related to the developments from which they arise.

- a. Local projects funded from generic contributions tend to use S106 funds from developments in the same ward and/or neighbouring wards that will also benefit from the project.
- b. Strategic projects^K tend to be funded from S106 funds arising from major developments in the same area and/or neighbouring areas that will also benefit from the project.^L

H. Grants are subject to community use agreements (say, for 11-12 years for large-scale projects and shorter timescales for small-scale projects) requiring facilities to be available (beyond the group's own use) to all sections of the community.

I. The public art criteria are based on similar principles & reflect the Public Art SPD (e.g., new/original, high quality, accessible to public, involving an artist, engaging the community, with a lasting legacy).

J. S106 funds are used within any expiry dates set by S106 agreements. Where none are stipulated, the Council aims to make appropriate use of contributions within 10 years of receipt (or sooner).

K. These help to mitigate the impact of development in more than one area of the city (given the scale of the project and/or the proximity of the project to an area boundary).

L. This approach to funding local and strategic projects means that S106 contributions from a particular ward are not necessarily always spent in the same ward.

Target lists (2019) as a starting point for negotiating possible off-site S106 specific contributions for non-growth sites

Notes: [a] This table sets out the ‘target lists’ last reviewed at Environment & Community Scrutiny committee in March 2019, based on evidence in Council audits & strategies and earlier scrutiny committee reports in March/June 2016. [b] Being on a ‘target list’ does not necessarily mean S106 funds will be secured for a particular facility: the contributions agreed will take account of the nature & location of proposed developments and any updates available on local facility needs and improvements since 2019. [c] Officers may identify other projects to mitigate the impact of proposed developments. [d] The impact of some developments can be mitigated by facilities beyond a ward (e.g., some sports facilities have an area/city-wide benefit). [e] Suggestions for specific off-site community facility mitigations in parts of the city where there are no Council-owned or managed community facilities nearby will be considered in line with the approach agreed in March 2019: if taken forward as specific contributions, those community facilities would be subject to community use agreements. [f] Specific contributions that are received but cannot be used would need to be returned to the developer. [g] This latest version takes account of changes to Cambridge ward boundaries in May 2021.

| Ward | Play areas at: | Open spaces at: | Community facilities at: | Indoor sports at: | Outdoor sports at: |
|--|---|--|---|---|---|
| Abbey (East Area) | Ditton Fields, Dudley Road, Jack Warren Green, Peverel Road, Stourbridge Common | Barnwell East LNR, Barnwell West LNR, Coldham’s Common, Stourbridge Common, Thorpe Way | No city council-owned or managed community facilities here. May identify other facilities to mitigate particular developments | Abbey Sports Centre (studio space & gym) | Coldham’s Common |
| Arbury (North Area) | St Albans Rec Ground | St Albans Rec Ground | The Meadows Community Centre, Akeman Street | None highlighted via indoor sports strategy. May be mitigated by other projects, including those elsewhere in area or city. | St Alban’s Rec Ground (improving junior pitches) |
| Castle (West/Central Area) | None highlighted via play area audit, but others may be identified to mitigate particular developments. | None highlighted via open space audit. Others may be identified to mitigate particular developments. | Storey’s Field Centre | | None highlighted via playing pitch strategy. May be mitigated by other projects, including those elsewhere in area or city. |
| Cherry Hinton (South Area) | Tenby Close | Cherry Hinton Hall, Cherry Hinton Rec Ground | Cherry Hinton Library, Cherry Hinton Village Centre | | Cherry Hinton Village Centre (community gym facility) |
| Coleridge (East Area) | Ashbury Close, Lichfield Road, Robert May Close | Coleridge Rec Ground | Lichfield Hall, The Junction | None highlighted via indoor sports strategy. May be mitigated by other projects, including those elsewhere in area or city. | Coleridge Rec Ground pavilion and pitch upgrade |
| East Chesterton (North Area) | Chesterton Rec, Green End Road, Scotland Road | Causeway Park, Vie site (off St Andrew’s Road) | Brown’s Field Youth & Community Centre | | Upgrades to pitches at Chesterton Rec Ground & Logan’s Way Rec Ground |

| Ward | Play areas at: | Open spaces at: | Community facilities at: | Indoor sports at: | Outdoor sports at: |
|--|---|--|---|---|---|
| King's Hedges (North Area) | Woodhead Drive | Arbury Town Park, King's Hedges Rec Ground | Arbury Community Centre, Nun's Way Pavilion | North Cambridge Academy (new sports hall floor and indoor court) | North Cambridge Academy (multiple projects for storage and cricket net & pitch improvements) |
| Market (West/Central Area) | Christ's Pieces | Christ's Pieces, Jesus Green, Midsummer Common, Parker's Piece | Hanover Court community room | None highlighted via indoor sports strategy. May be mitigated by other projects, including those elsewhere in area or city. | Parker's Piece (second cricket square for community club cricket use) |
| Newnham (West/Central Area) | None highlighted via play area audit, but others may be identified to mitigate particular developments. | Lammas Land, Paradise LNR, Penarth Place, Queen's Green, Sheep's Green | No city council-owned or managed community facilities here. May identify other facilities to mitigate particular developments | | None highlighted via playing pitch strategy. May be mitigated by other projects, including those elsewhere in area or city. |
| Petersfield (East Area) | Flower St, Petersfield, Shenstone St, Sleaford St, St Matthew's Piece | Accordia site (off Brooklands Ave), Petersfield | Bath House community room, Cherry Trees Day Centre, former Mill Road Depot site | | Kelsey Kerridge Sports Centre (multiple projects for new mobile spectator seating and conversion of Fenner's Gallery) |
| Queen Edith's (South Area) | Gunhild Close, Holbrook Road, Nightingale Ave Rec Ground | Nightingale Avenue Rec Ground | Nightingale Avenue Pavilion (to be developed) | Netherhall School & Sixth Form (new floor for sports hall) | Netherhall School & Sixth Form (floodlit, grass training area) |
| Romsey (East Area) | Brooks Road | Romsey Rec Ground | Ross Street Community Centre, Cromwell Road development site | None highlighted via indoor sports strategy. May be mitigated by other projects, including those elsewhere in area or city. | Coldham's Common, Romsey Rec Ground (improving junior pitches) |
| Trumpington (South Area) | None highlighted via play area audit, but others may be identified to mitigate particular developments | Coe Fen, Trumpington Rec Ground | Clay Farm Centre, Trumpington Pavilion | | Trumpington Rec Ground (pitch improvements) |
| West Chesterton (North Area) | Alexandra Gardens | Alexandra Gardens | No council-owned or managed community facilities. May identify other facilities to mitigate particular developments | | Chesterton Community College (multiple projects for pitch, storage and cricket net improvements) |