

London Borough of Camden

Regeneration and Planning

S106 Annual Report 2014/15



Introduction

Camden adopted its Community Infrastructure Levy (CIL) on the 1st April 2015.

Developer contributions have historically been collected through S106 (Planning Obligations). Planning regulations state that there should be no “double charging” for infrastructure through CIL and S106, so in the future a significant element of developer contributions will be secured via CIL.

However, S106 planning obligations will continue to play a key role in relation to affordable housing, site specific requirements such as highways works and the non-financial requirements of development such as construction management and travel plans.

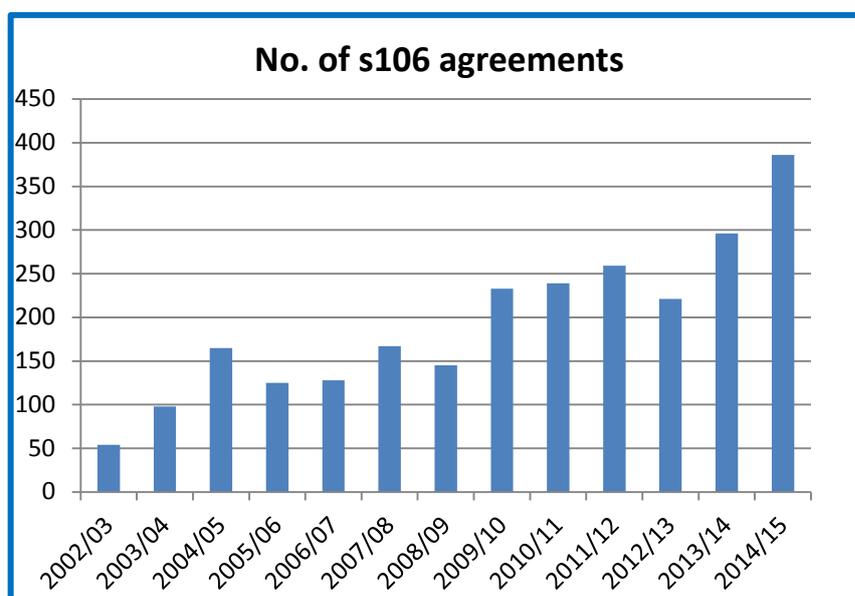
As the reporting of CIL financial information is a statutory requirement under the Community Infrastructure Levy system it is appropriate that similar information is published for s106 contributions on an annual basis.

This report is to give details of the income and expenditure of S106 contributions in 2014/15 and projected expenditure of balances.

1. NUMBER OF AGREEMENTS

In 2014/15 **386 s106 agreements were negotiated** (including Council scheme “shadow” agreements). This upward trend in recent years reflects a number of factors including:

- Continuing levels of development activity in Camden
- The high number of change of use from office to residential prior approval applications requiring s106 agreements
- The increased number of s106 agreements requiring construction management plans
- The imminent adoption of Camden’s Community Infrastructure Levy in April 2015.

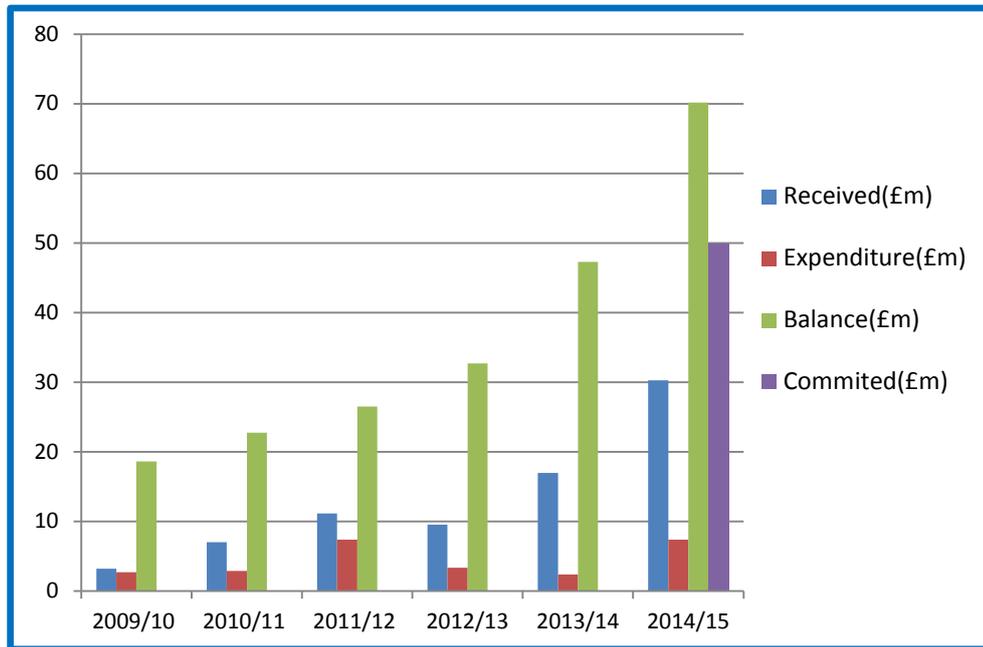


2. NOTABLE S106 AGREEMENTS SIGNED IN 2015/16

- **2013/8088/P** Agar Grove Estate Agar Grove NW1(Council “shadow” s106)
- **2013/1957/P** Centre Point Tower, Centre Point Link and Centre Point House 101-103 New Oxford Street and 5-24 St Giles High Street WC1
- **2013/8192/P** Former Odeon site and Rosenheim Building (Grafton Way, Tottenham Court Road, Huntley Street and University Street WC1
- **2013/7646/P** 79 Camden Road and 86-100 St Pancras Way NW1
- **2014/5946/P** 21-31 New Oxford Street (former Sorting Office) WC1

3. FINANCIAL CONTRIBUTIONS RECEIVED

2014/15 saw an unprecedented level of s106 receipts with a total of £30.26 million received.

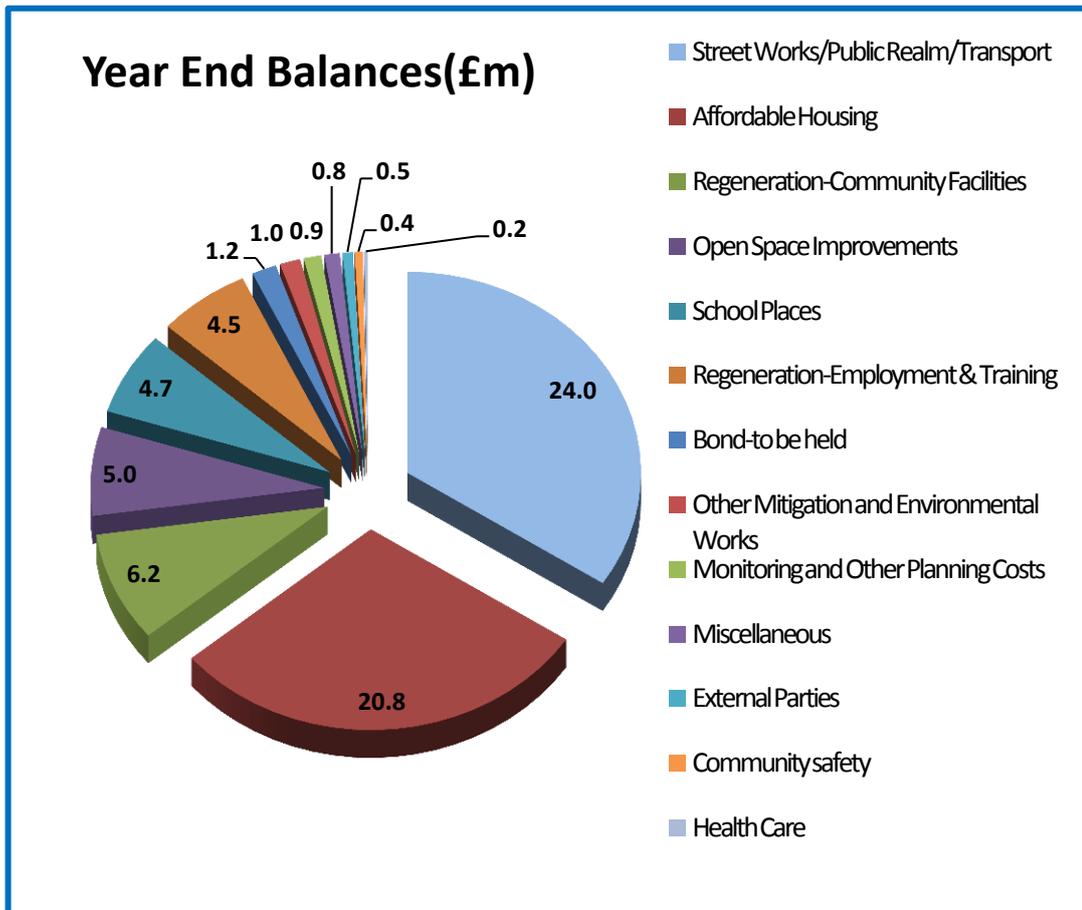


Year	Opening Balance £000s	Received in Year £000s	Expenditure £000s	Closing Balance £000s
2001/02	£ 2,368	£ 1,222	£ 595	£ 2,995
2002/03	£ 2,995	£ 3,238	£ 426	£ 5,807
2003/04	£ 5,807	£ 804	£ 1,412	£ 5,199
2004/05	£ 5,199	£ 2,264	£ 1,693	£ 5,770
2005/06	£ 5,770	£ 1,566	£ 915	£ 6,421
2006/07	£ 6,421	£ 3,007	£ 1,582	£ 7,846
2007/08	£ 7,846	£ 8,689	£ 628	£ 15,908
2008/09	£ 15,908	£ 3,547	£ 1,291	£ 18,164
2009/10	£ 18,164	£ 3,216	£ 2,730	£ 18,650
2010/11	£ 18,650	£ 7,025	£ 2,908	£ 22,767
2011/12	£ 22,767	£ 11,180	£ 7,427	£ 26,520
2012/13	£ 26,520	£ 9,561	£ 3,349	£ 32,732
2013/14	£ 32,732	£ 16,991	£ 2,403	£ 47,320
2014/15	£ 47,320	£ 30,264	£ 7,420	£70,164

Source: Camden Finance, Site Development Team

Total receipts in 2014/15 included c. £23.5m from 6 s106 agreements alone:

- Kings Cross Central/Argent – c.£7.5m
- Former Odeon Site (University College Hospital) - c.£1.1m
- Finchley Road/Kidderpore Avenue(Phase I) - c.£700k
- Netley Primary School - c.£5.58m (deferred affordable housing contribution)
- Hawley Wharf - £2.1m
- Centre Point - c.£6.5m



4. EXPENDITURE AND COMMITMENTS IN 2014/15:

There was significant progress in committing funds to projects during the year and details of planned expenditure of £50m under the main expenditure categories is set out further below

In 2014/15 **£7.42m was spent plus a further £1.9 is contractually committed** to the Somers Town energy network and these works are continuing into 2015/16.

Summary of main expenditure:

- **£3.6m committed to the Somers Town/Francis Crick Energy Network. £1.9 m spent in 14/15 and further works to be carried out in 15/16.**
- **£2.8m on school projects-£1.2m at Camden Centre for Learning and £1.6m on the new primary school at Kings Cross**
- **c.£1.6 m on major highways works including St Giles Circus/Tottenham Court Road and Regents Place**
- **£470k to support local recruitment and apprentice measures, eg Kings Cross Recruit (former Kings Cross Skills and Recruitment Centre)**
- **£490k on community facilities- including Maiden Lane(58k), Castlehaven (50k), Gospel Oak projects (300k), Sheriff Centre (50k) and Surma Centre (31k) plus further small grants**
- **Other expenditure is primarily smaller scale highways works and monitoring costs**

Somers Town Energy Centre and Network

- £3.8m from The Francis Crick Institute s106 was committed to the new decentralised energy scheme in Somers Town and will replace old communal heating systems to heat over 300 homes. £1.89m was spent in 14/15
- The scheme uses modern efficient technology, and will provide energy efficient heat to residents whilst saving 1,100 tonnes of carbon per annum
- The second phase of the scheme in 2015/16 will see combined heat and power (CHP) technology installed at the energy centre, with the electricity being sold to the Francis Crick Institute
- The long term plan is to connect up the network to other homes, schools and community buildings proposed under the Council's Community Investment Programme



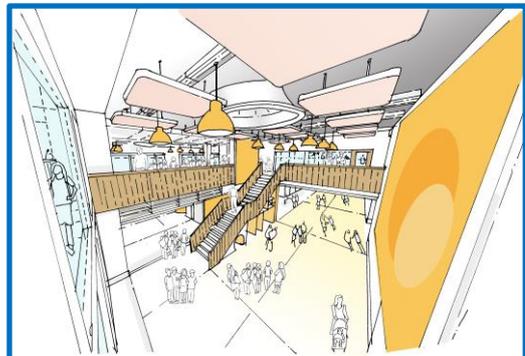
Camden Centre for Learning facilities at Agincourt Road and Chalcot Rd

- £1.2m has been spent in 14/15 on the remodelling and extension of two schools to provide new specialist education facilities
- The project will create friendly spaces and student centred atmospheres, offering a new and more flexible way of delivering the curriculum to secondary aged students with social, emotional and behavioural difficulties.
- Classrooms in new extensions to Agincourt House will provide better light and air for students
- Landscaping improvements are designed to engage students better, providing better circulation and more varied spaces including quieter areas for students who seek them



A New Primary School in Kings Cross

- The King's Cross Academy will be located in the first two floors of new Plimsoll Building alongside the Frank Barnes School. Opening in September 2015, £1.6m of s106 funds have been used towards the costs of building and fitting out this high quality, purpose built new school
- The primary school will grow from two reception classes for up to 60 children and a 26-place nursery in the first year to a full two from entry primary school with 420 pupils and nursery.
- The facilities provide for the Academy to share a close relationship with Frank Barnes School for Deaf Children, teaching primary school children sign language, and providing shared spaces for the children to mix.



Kings Cross Skills and Recruitment Centre (now called KX Recruit)

- £470k from the Kings Cross Central s106 and other s106 schemes have helped fund recruitment and apprenticeship services for local people
- The Centre offers training, apprenticeships, employment advice and guidance to local residents keen on gaining construction qualifications, and starting or furthering a career in the construction industry



OTHER S106 FACTS AND FIGURES

S106 agreements are not just about financial contributions. They are often used to manage the potential impacts of construction and to make new development more sustainable. For example:

- 126 s106 agreements signed in 2014/15 included a requirement to submit Construction Management Plans
- 186 s106 agreements signed in 2014/15 require schemes to be car free or car capped (to deter car use and manage on-street parking pressures)
- 23 s106 agreements signed in 2014/15 included a requirement to submit Travel Plans (used to encourage walking and use of public transport)

5. MOVING FORWARD - FUTURE EXPENDITURE

As highlighted above there is over £50m of planned expenditure in place.

Highways and Transport - Planned Expenditure: £22.05m

- c.£16m of funds in the capital programme are allocated to the West End Project/St Giles Circus public realm works
- £3.3 m from Kings Cross/Argent s106 to pay Transport for London for bus route alterations
- c.£1.2m for various ad hoc s106 highway projects in the current capital programme 2015/16-2016/17
- £950k to pay Transport for London for improvements to West Hampstead Overground (new station approved)
- £600k for bus capacity improvements and cycle facilities around Maiden Lane (with potential linkage to Kings Cross bus funds)



West End Project: What Princes Circus could look like in the future

Affordable Housing Fund (AHF) - Planned expenditure: £15.9m

- £1.1m is already committed (£0.45m: Kings Cross adaptations and £0.65m: Whitfield/Warren St)
- £12.8m is allocated to a number of high priority Community Investment Programme projects agreed by Lead Members, which will deliver a total of 139 affordable units:
 - Up to £6m committed towards Gospel Oak small site schemes to be spent in 15/16 and 16/17 (68 units)
 - Up to £5.7m for other CIP small sites including Raglan St, Heybridge and Three Fields (52 units indicative)
 - Up to £0.6m at Camden St/Plender St (14 units)
 - Up to £0.5m at The Marr and 8 Burghley Road (3 wheelchair accessible units and 2 units for couples with acquired brain injury or physical disability)
- A further £2m worth of projects are being worked up in 15/16.

School Places Funds- Planned Expenditure: £4.7m

£4.7m is currently committed as follows:

- £1m for Science, Technology, Engineering and Maths (STEM) facilities at William Ellis, La Sainte Union, Camden School for Girls and Acland Burghley
- £2m for STEM facilities at Primary Schools:

Argyle	£281,000
Eleanor Palmer	£388,000
Fitzjohn's	£100,000
Gospel Oak	£200,000
Kentish Town	£129,000
Netley	£241,000
[Plus fees and contingencies]	

- £1m for additional pupil places/"bulge classes" in 2016/17
- 300k in schools capital programme
- 300k allocated to Richard Cobden primary
- 100k from St Giles s106 for St Joseph's primary
- Any future receipts and residual balances are planned to be allocated to school projects addressing priority condition needs

Parks and Open Spaces- Planned Expenditure: £5m



St Giles Churchyard Play Area completed in 14/15

£650k of projects are in the 2015/16 capital programme. Allocations include the following improvements to Camden's open spaces:

Bucklebury MUGA (Regents Park Estate)	£124,005.49
Camden Gardens	£114,645.00
Swiss Cottage	£100,227.00
Cumberland Market	£61,069.00
College Gardens	£60,499.00
Rochester Terrace	£47,409.00

A new Green Space Investment Programme is being prepared by the Sustainability and Green Space section for approval by the Cabinet Member for Sustainability and Environment in the autumn which incorporates all open space s106 received to date and will provide an efficient means of allocating future funds.

Community Facilities - Planned Expenditure: £4.6m

Consultation on expenditure of up to c. £3.1m has taken place with ward members and local groups on the use of s106 funds generated in a number of areas. This has already resulted in c. £1.8m being awarded/ pledged (subject to match funding):

Area	Potential projects (to be confirmed/ agreed)	Progress
£1.2 m in Holborn and Covent Garden (Also anticipated £330k from Mount Pleasant)	<ul style="list-style-type: none"> Phoenix Gardens(PG) Holborn Community Association(HCA) Dragon Hall(DH) Covent Garden Community Centre(CG) 	<ul style="list-style-type: none"> £130k has been pledged to PG and will be distributed in tranches, together with previous S106 awards made by Community Safety and Parks/Open Spaces from St Giles Court scheme. £200k has been made available to HCA and a further £800k has been pledged, against achievement of match-funding £220k and £83.5k has been awarded to DH £45.7k has been awarded to CG.
£308k in Kings Cross	<ul style="list-style-type: none"> Camden Chinese Community Centre(CCCC) Kings Cross and Brunswick N'Hood Association(KCBNA) Coram's Fields Helios trust Holy Cross Centre Trust (HCCT) One Housing Age UK Camden 	<ul style="list-style-type: none"> £115k pledged to CCCC against achievement of match-funding £73.6k awarded to KCBNA £20k awarded to Coram's Fields £11.5k awarded to Helios Foundation £40k pledged to HCCT £3.6k awarded to One Housing Group £35.65k pledged to Age UK
£609k in West Hampstead/Fortune Green	<ul style="list-style-type: none"> Sidings CC West Hampstead CC Emmanuel Church Kingsgate CC 	Allocation decisions due to be confirmed during 2015/16
£61k in Haverstock	No proposals or decisions yet	Being discussed with ward members
£110k Frognal and Fitzjohns	Proposals invited	A call for proposals from VCS organisations (published via Voluntary Action Camden's weekly email to VCS in Camden) has taken place.
£500k in Camden Town with Primrose Hill	No proposals or decisions yet	Engagement with ward members has taken place re: £500k Hawley Wharf s106

Also the following is committed alongside a number of other smaller contributions (totalling c. £595k):

- £465k to Maiden Lane Community Centre (Maiden Lane s106)-c. £58k is being paid p.a.
- £130k to Fitzrovia Youth in Action(Saatchi block scheme)

The council is currently reviewing its relationship with the voluntary and community sector (VCS) to make it stronger and more strategic at a time of diminishing resources. Any S.106 spending will need to reflect the proposed new model of working with VCS as and when it's agreed. Premises form a key element of this relationship. Many s106 financial contributions towards enhanced facilities s106 have benefited both the Council (by improving Council premises) and the VCS by enabling it to deliver better services to residents to meet their needs.

The s106 current balance for community facilities also includes c. £1.6m of social and community related funds received from the Kings Cross Central s106 which are still to be allocated.

Economic Development - Employment and Training - Planned Expenditure: £1.13m

£1.13m of projects are currently committed to 2016/17 including funding for:

2015/16

- £207.2k – running costs for Kings Cross Recruit
- £110.8k – staff engaged in securing and delivering of training and employment opportunities
- £13.5 – Inspire work experience and mentoring project (match funding)
- £38.9 – Castlehaven Youth Works project
- £87.5 – West Euston Partnership
- £75k – Hatton Garden Business Improvement District development
- £200k – 120 Hatton Garden Workspace project

2016/17

- £125k London Councils European Social Fund programme (a further £125k in 17/18) (match funding)
- £114.4k staff engaged in securing and delivering of training and employment opportunities
- £160,000 (forecast) to support Kings Cross Recruit
- Kings Cross Construction Skills Centre is also likely to spend S106 on apprenticeship delivery – dependant on which schemes start on site and when.