

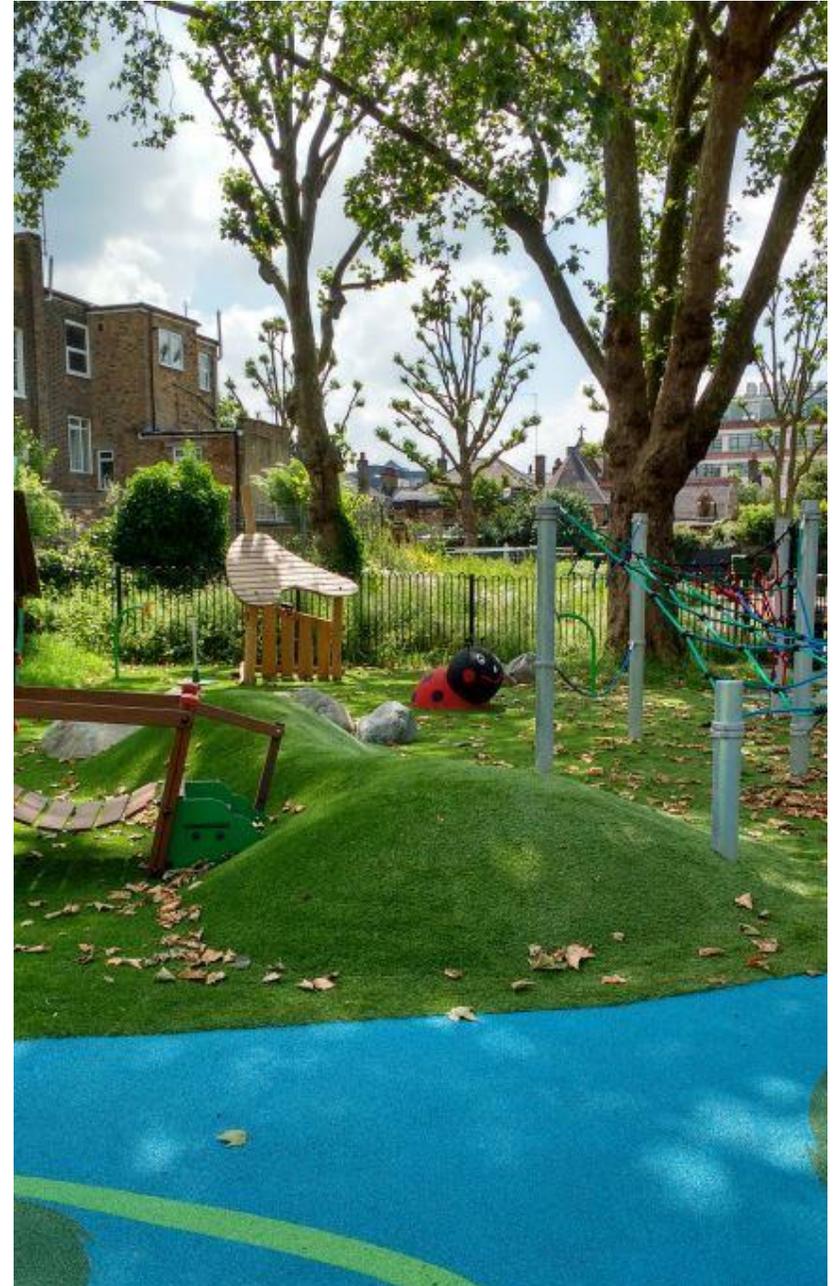
**Camden Council  
Regeneration and Planning**

**Community Infrastructure Levy and Section 106 Annual Report 2015/16**



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# 1. Introduction

## 1.1 The purpose of this report

This year has been a busy year in relation to the collection and spending of financial contributions from developers, with record amounts of Section 106 (s106) funding collected and spent and a successful first year collecting the Camden Community Infrastructure Levy (CIL). This annual report sets out how much we have received and spent from s106 contributions and the Camden Community Infrastructure Levy (CIL) in the financial year 2015/16. It also sets out future plans for the spending of s106 and CIL funds.

Section 2 of this Report sets out progress in the collection of Camden CIL and in the setting up of new spending processes. Section 3 sets out this year's s106 income and expenditure and the current position relating to planned expenditure.

Key headlines from the report include:

- £3.5m received in Camden CIL in the first year of collection
- A new spending process set up for the spending of local CIL monies
- £31.9m received in s106 contributions in 2015/16, with £8.8m spent and £20m allocated to specific projects
- A total of £76m in planned future Section 106 expenditure.

We are committed to making the best possible use of available funds, using CIL and s106 funds holistically to deliver wider benefits for our communities and the environment. This will become increasingly important as public sector funding cuts place pressures on wider council budgets.

## 1.2 The Community Infrastructure Levy and Section 106 agreements

Camden adopted its **Community Infrastructure Levy (CIL)** on the 1st April 2015. The Levy is used to fund more general (rather than site specific) infrastructure that is needed to support growth. The introduction of Camden CIL to fund more general infrastructure means that we have scaled back the use of s106 agreements to secure more site-specific financial contributions (such as highways works) only.

**Section 106 agreements** are used to mitigate the impacts of development and ensure that Camden's planning policy requirements are fully met. Section 106 obligations include:

- Provision of affordable housing
- Non-financial obligations, including requirements such as Car Free development, Construction Management Plans and Travel Plans
- Site specific financial contributions such as highways works, employment contributions and open space contributions (where accepted in lieu of on-site provision).

In the future, with the introduction of CIL we expect that new s106 income will reduce over time as CIL receipts increase. As project spending continues this will lead to a reducing s106 balance.

### 1.3 Managing CIL and Section 106 agreements in Camden

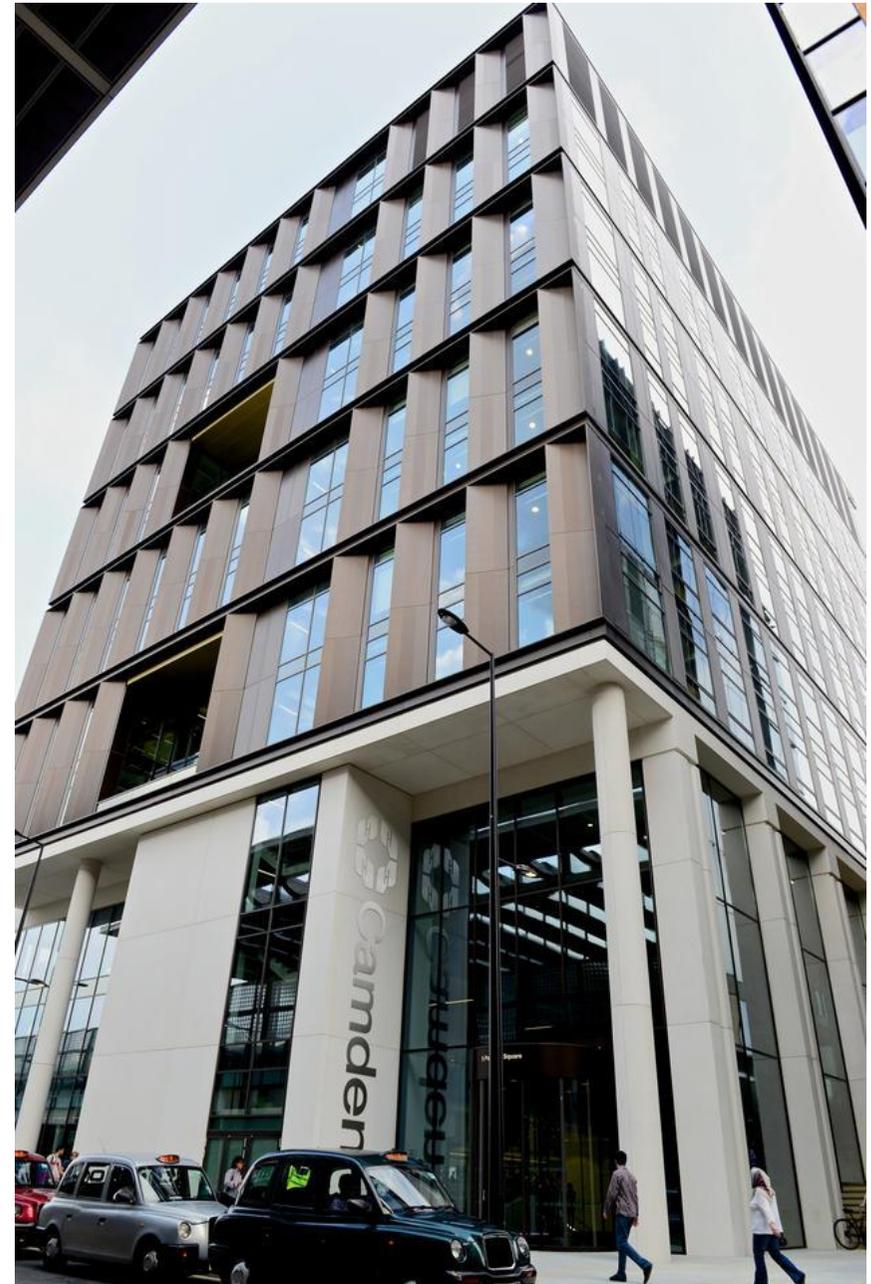
The introduction of Camden CIL in April 2015 also meant the introduction of a new system for the collection and monitoring of CIL (building on our systems developed for collecting Mayoral CIL), along with new systems for spending local and strategic elements of CIL.

To support the introduction of Camden CIL and to manage recent increases in s106 income in recent years, a new Infrastructure and Growth team was set up in June 2015. We have also been developing the use of new software to record and manage information regarding s106 agreements, CIL and infrastructure projects. It should be noted that changes were made to our financial reporting to align with Camden's Finance department, and with corrections to some historic records, this has affected the calculation of the current s106 balance compared to the previous Annual Report (2014/15).

This report and other information about s106 agreements and CIL are available at:

- [www.camden.gov.uk/s106](http://www.camden.gov.uk/s106)
- [www.camden.gov.uk/cil](http://www.camden.gov.uk/cil)

If you have any comments or suggestions about the report, please email [cil@camden.gov.uk](mailto:cil@camden.gov.uk) or [planningobligations@camden.gov.uk](mailto:planningobligations@camden.gov.uk).



## 2. Community Infrastructure Levy (CIL) update 2015/16

There are two community infrastructure levies collected in Camden – Mayoral CIL (which is used to fund Crossrail) and Camden CIL, which will be used to fund infrastructure across Camden. Sections 2.1 and 2.2 below focus on the collection and spending of Camden CIL, with Section 2.3 summarising the current position in relation to Mayoral CIL.

### 2.1 Camden CIL income 2015/16

Camden CIL collection has been underway since April 2015. The first year of Camden CIL collection has exceeded predicted income levels, with approximately **£3.5 million** of Camden CIL received in the financial year 2015/16. This is broken down by ward in the table to the right.

Particularly high receipts were recorded in Camden Town with Primrose Hill, Frognal & Fitzjohns and Hampstead Town wards as a result of high CIL payments being made by three large developments in those wards:

- Camden Town with Primrose Hill: £650,425 received from development at 39-45 Kentish Town Road (application 2015/1937/P)
- Frognal & Fitzjohns: £910,000 received from development at Arthur West House, 79 Fitzjohn's Avenue (application 2014/7851/P)
- Hampstead Town: £1,341,142 received from development at Bartrams Convent Hostel, Rowland Hill Street (application 2014/6449/P).

A detailed breakdown of CIL payments received in 2015/16 (by development) is available online at [www.camden.gov.uk/cil](http://www.camden.gov.uk/cil).

Camden CIL income 2015/16			
Ward	Amount Received	Strategic CIL - 75% (minus 5% admin charge)	Local CIL - 25% (minus 5% admin charge)
<b>Camden Town with Primrose Hill</b>	£717,713	£511,370	£170,457
<b>Fortune Green</b>	£5,116	£3,645	£1,215
<b>Frognal &amp; Fitzjohns</b>	£910,000	£648,375	£216,125
<b>Hampstead Town</b>	£1,341,142	£955,564	£318,521
<b>Haverstock</b>	£9,282	£6,614	£2,205
<b>Holborn &amp; Covent Garden</b>	£329,245	£234,587	£78,196
<b>Kentish Town</b>	£118,654	£84,541	£28,180
<b>Kings Cross</b>	£81,578	£58,125	£19,375
<b>Overall Totals</b>	<b>£3,512,731</b>	<b>£2,502,821</b>	<b>£834,274</b>

*Please note that a 5% administration charge is placed on Camden CIL received, before the allocation of 75% strategic CIL and 25% local CIL*

## 2.2 Spending Camden CIL

Following the deduction of an administration fee, 75% of Camden CIL will be spent on strategic infrastructure projects ('strategic CIL'), with 25% spent in the local area to the development ('local CIL'). Further details on the spending of strategic CIL and local CIL are set out below. The 5% administration fee is used to cover costs associated with producing and adopting a CIL charging schedule, securing payment of the CIL, and monitoring and allocating the funds.

### Strategic CIL (75%)

In September 2014 the Cabinet agreed the Medium Term Financial Strategy which committed £22 million of Camden's CIL towards highway and school improvements until 2020 through the Council's Capital Spending Programme. Of the strategic CIL collected last year approximately £1million has been allocated to the highways projects set out in table to the right.

The remaining strategic CIL that was collected in 2015/16 will be rolled forward to help fund the delivery of schools and highways projects in the Capital Spending Programme projects in 2016/17. This spending will be reported in next year's annual report.

On 15<sup>th</sup> July 2016 Councillor Jones, Cabinet Member for Regeneration Transport and Planning agreed an update to the Strategic CIL spending list, which sets out how strategic CIL funds will be spend in future. The update reflects the short term allocations made in the Medium Term Financial strategy as well as updating infrastructure projects that could be funded by strategic CIL in the medium-long term. The updated list is available online at [www.camden.gov.uk/cil](http://www.camden.gov.uk/cil).

Highways projects funded from strategic CIL in 2015/16		
Street name	Cost(£)	Type of works
Hilgrove Road	84,236	Carriageways
England's Lane	74,676	Carriageways
Park Hill Road	67,000	Carriageways
Gloucester Avenue	55,303	Carriageways
Highgate Road	76,000	Carriageways
Bedford Row	50,396	Carriageways
William Road	23,789	Carriageways
Arlington Road	50,000	Carriageways
Hawley Crescent	18,742	Carriageways
Bernard Street	26,264	Carriageways
Robert Street	40,281	Carriageways
Adelaide Road	58,000	Footways
Sheriff Road	58,105	Footways
Heathurst Road	58,188	Footways
Inkerman Road	40,596	Footways
Savernake Road	60,596	Footways
Mansfield Road	25,769	Footways
Clarence Way	20,000	Footways
Raveley Street	40,596	Footways
Earlham Street	9,589	Footways
Rosecroft Avenue	25,568	Footways
<b>Fees</b>	61,022	Footways
<b>Total</b>	<b>£1,024,718</b>	

## Local CIL (25%)

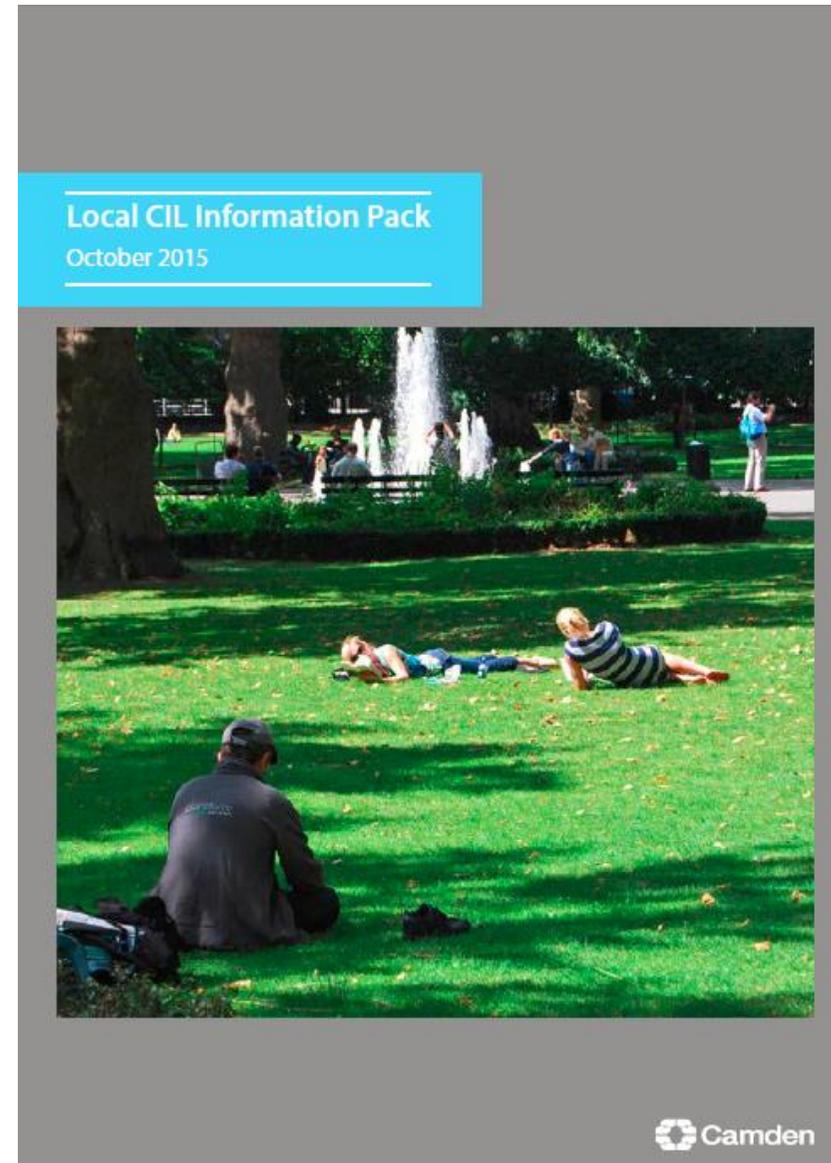
The remaining 25% of the Camden CIL will be spent on local projects in a spending system that will be led by local Members.

On 15th July 2016 Councillor Phil Jones, Cabinet Member for Regeneration Transport and Planning agreed the operational principles for a local spending system together with local ward priority lists which will be used to guide future spending allocation decisions. This new local CIL spending system was launched in mid-August 2016.

The priority lists and guidance on how the spending system should operate can be viewed on the Council's website: [Camden CIL page](#).

## 2.3 Mayor of London Community Infrastructure Levy

Camden has been collecting a CIL on behalf of the Mayor London since April 2012. £5.6m in Mayoral CIL was collected in the last in financial year. These funds are transferred to Transport for London every quarter and will be used to help fund Crossrail.

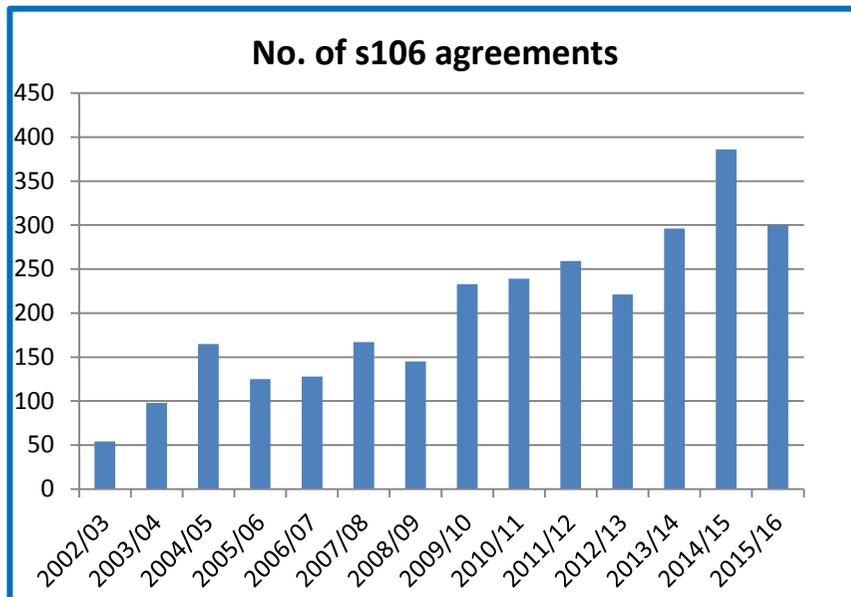


*A local CIL information pack was produced in October 2015 to support members in setting local CIL priority lists for each ward*

### 3. Section 106 update 2015/16

#### 3.1 Section 106 agreements signed

In 2015/16 **300 s106 agreements were negotiated** (including Council scheme “shadow” agreements). Whilst lower than the previous year’s total (386 agreements were signed in 2014/15), the number approved is significantly above the historic trend, reflecting continuing high levels of development activity in Camden and the increased number of s106 agreements requiring measures such as construction management plans, in order to mitigate the impacts of development.



Notable s106 agreements signed in 2015/16 include:

- Town Hall Extension, Argyle Street, WC1H 8NN (2014/7874/P): Change of use from Council offices (Sui-generis) to hotel (class C1) and alterations to the building including removal of roof top plant, an extension at roof level and alterations to facade.
- Great Ormond Street Hospital, 20 Guilford Street, WC1N 1D (2014/6068/P): Erection of new hospital research building following the demolition of an existing computer facility.
- 100 Avenue Road, NW3 3HF (2014/1617/P): Demolition of existing building and redevelopment for a 24 storey building and a part 7 part 5 storey building comprising a total of 184 residential units and up to 1,041sqm of flexible retail/ financial or café/ restaurant floorspace (approved on appeal)

The s106 agreements and other documents for each application can be viewed online on Camden’s [planning applications search page](#).

### 3.2 Financial contributions received

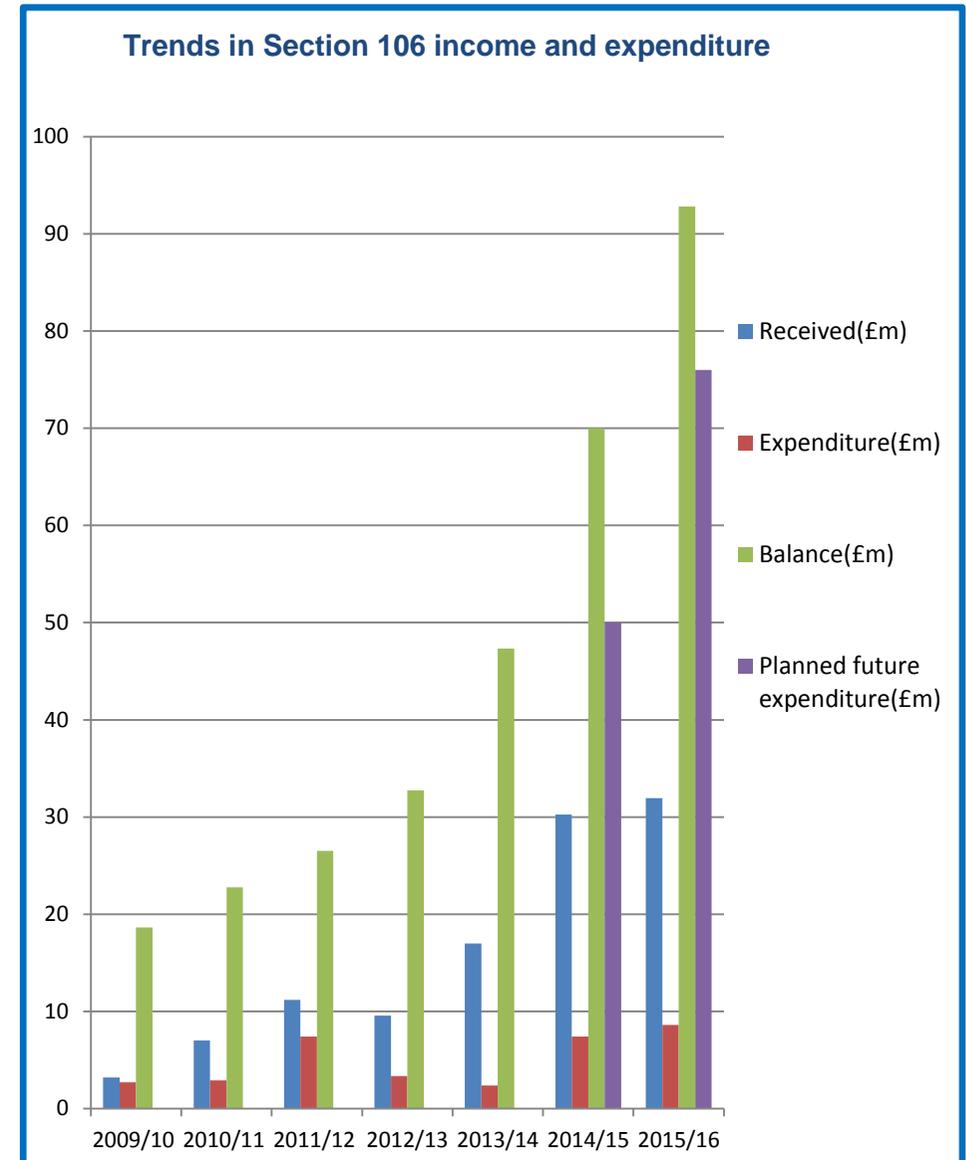
2015/16 saw another record level of s106 receipts **with a total of £31.9 million received.**

The graph and table below demonstrate significant increases in s106 income. In the last three years alone we have received a total of £79m, with £17m received in 2013/14, £30.2m in 2014/15 and £31.9m last year).

	Received in year	Expenditure
Year	£000s	£000s
2001/02	£ 1,222	£ 595
2002/03	£ 3,238	£ 426
2003/04	£ 804	£ 1,412
2004/05	£ 2,264	£ 1,693
2005/06	£ 1,566	£ 915
2006/07	£ 3,007	£ 1,582
2007/08	£ 8,689	£ 628
2008/09	£ 3,547	£ 1,291
2009/10	£ 3,216	£ 2,730
2010/11	£ 7,025	£ 2,908
2011/12	£ 11,180	£ 7,427
2012/13	£ 9,561	£ 3,349
2013/14	£ 16,991	£ 2,403
2014/15	£ 30,264	£ 7,420
<b>2015/16</b>	<b>£31,926</b>	<b>£8,759</b>

Source: Camden Finance, Infrastructure and Growth team

The chart below also shows increased spending and planned future expenditure: further information on this is provided in sections 3.3 and 3.5 below.



Total receipts in 2015/16 included approximately **£23.05m** from ten s106 agreements alone:

- 25 Parker Street: £6.18m. This is an affordable housing contribution that is already allocated to help fund affordable homes in the Tybalds Estate: see Section 3.5 below
- St Giles Circus: £4.04m including £3.7m for the West End Project and related highways works
- 102 Camley Street: £5m including a £3.8m affordable housing contribution which is likely to be used to help fund affordable homes at Central Somers Town (see Section 3.5 below).
- 101 Camley Street: £2.9m affordable housing contribution
- 79 Camden Road and 86-100 St Pancras Way: £1.05m
- Town Hall Extension, Argyle Street: £990,000 including contributions towards affordable housing (£567,000) and decentralised energy (£127,000) plus payments towards cycle stands and environmental improvements
- 32 Lawn Road: £865,000 including contributions towards highways (£342,000), community facilities (£132,000) plus payments for open space, education, training and employment and healthcare
- 17-29 Hawley Crescent: £709,000 including contributions towards affordable housing (£687,000), highways and training and employment
- 20 Guildford Street: £687,000 mainly for highways and environmental improvements
- Former Royal Ear Hospital and Former Student Union Building, Capper Street / Huntley Street: £629,000 including £380,000 towards highways and public realm works and over £200,000 towards off site carbon reduction measures.

A full breakdown of the financial contributions received during each quarter of 2015/16 can be viewed on the Council's website at [www.camden.gov.uk/s106](http://www.camden.gov.uk/s106).



*St Giles Circus development*

### 3.3 Section 106 spending in 2015/16

2015/16 was also a record year in terms of spending s106 monies, with approximately **£8.8m** spent during the year.

#### Summary of main expenditure during 2015/16:

- **£1.5m on the Somers Town/ Francis Crick Energy Network.**
- **More than £1.4m on affordable housing delivery at Tybalds Estate, The Marr and Burghley Road and accessible homes at King's Cross**
- **£1m on school projects - majority spent on the STEM project (science and technology classrooms)**
- **£3.2m on transport projects - including**
  - **£933,000 on West Hampstead Overground Station Upgrade**
  - **£342,000 on the King's Cross bicycle storage facility**
  - **£1m passed to TfL for Crossrail, cycle hire provision and Legible London signage**
  - **£900,000 on highways and public realm projects**
- **£690,000 on community facilities**
- **£485,000 to support local employment and training measures**

Details of the main areas of spending are set out below.

### Sustainability spending: Somers Town Energy Network

- We spent £1.5m on the new decentralised energy scheme in Somers Town in 2015/16
- This spending forms the second phase of a total £3.8m s106 investment (resulting from a financial contribution from the Francis Crick Institute development).
- In the previous financial year (2014/15), £1.9m was spent on Phase 1 of the scheme. Now operational, Phase 1 uses modern efficient technology to provide energy efficient heat to residents.
- Phase 2 will see combined heat and power (CHP) technology installed at the energy centre – the CHP will generate low carbon electricity to be sold to the Francis Crick Institute and become the lead heat provider for the homes connected to the network. When Phase 2 is complete, it is forecast to save 1,100 tonnes of carbon a year.
- The long term plan is to connect the network to other homes, schools and community buildings proposed under the Council's Community Investment Programme.

### Affordable housing delivery

During 2015/16 over £1.4m was spent on the provision of affordable housing:

- **£1m at Tybalds Estate regeneration scheme:** the funds are being used to help provide social rented homes in the development. This will be followed by a further spend of £5.18m which is scheduled for 2016-2018 and when combined will deliver around 43 social rented homes on the site.
- **£400,000 at The Marr and 8 Burghley Road:** these funds were used to deliver specialist/ accessible homes for couples with acquired brain injury or physical disability:
  - 11-17 The Marr: three wheelchair adapted units at (including two large three bedroom units)
  - 8 Burghley Road: two specialist units (including carers accommodation)

- **£33,000 on housing adaptations at Kings Cross Central:** these adaptations will make new affordable housing accessible to meet the needs of tenants



The Tybalds Estate regeneration scheme will include new affordable homes funded through s106 funds

### Education spending: science, technology, engineering and maths facilities

- Approximately £1m was spent in 2015/16 on upgrades to support science, technology, engineering and maths facilities (STEM facilities) in both primary and secondary schools
- The project is improving existing school buildings to help meet the aims of the Camden Plan for Camden to have the best schools in the country within the decade.
- £50,000 was also spent on a science classroom at Kingsgate School.

<b>Summary of Section 106 education spending 2015/16</b>	
<b>Kingsgate - science classroom</b>	<b>£50,000</b>
<b>STEM facilities at primary schools</b>	<b>£203,700</b>
<i>Eleanor Palmer</i>	£38,800
<i>Fitzjohns</i>	£123,500
<i>Gospel Oak</i>	£41,400
<b>STEM facilities at secondary schools</b>	<b>£812,610</b>
<i>Acland Burghley</i>	£30,000
<i>Camden School for Girls</i>	£260,870
<i>La Sainte Union</i>	£260,870
<i>William Ellis</i>	£260,870

## Transport spending

**West Hampstead Overground upgrade:** A contribution of £933,000 from development at 187-199 West End Lane (application 2011/6129/P) has been passed to TfL to help deliver the improvements to West Hampstead Overground Station. The station redevelopment scheme is intended to enhance station accessibility, capacity and the customer experience. It will provide:

- A wider pavement leading to the entrance of the station
- A concourse with a larger passenger circulation area
- Step free access to both platforms via lifts
- A new footbridge over the tracks connecting the platforms
- Additional Oyster / ticketing gates
- Integration with the adjoining new development and public square.

TfL have indicated that construction will take place from August 2016 to April 2017.

**Bicycle storage facility, King's Cross:** £342,000 has been passed to the owner of 6 Pancras Square to help deliver a new bicycle storage facility at King's Cross. This funding was used to help fund the fit out costs in order to help deliver a viable facility. The facility will provide a secure internal space for cyclists to leave their bicycles for a daily charge. It is being provided at basement level in the new office building at 6 Pancras Square, and is associated with the new Evans Cycle store.

**Transport funds passed to TfL:** £1m was passed to TfL during 2015/16 to deliver the following transport benefits:

- £180,000 towards Crossrail
- £680,000 in cycle hire contributions, which will be used to deliver increased cycle hire capacity across the borough
- £130,000 in Legible London contributions. These funds will be used to increase the provision of Legible London signage in Camden, in order to help people find their way on foot and encourage walking.

**Highways and public realm improvements:** £900,000 was spent during 2015/16 on a large number of highways and public realm projects across the borough. These included:

- £60,000 on the area around Netley Primary School
- £60,000 on the area around the new Francis Crick Institute
- £90,000 on York Way environmental improvements
- £90,000 in the area around Stephen Street, near Tottenham Court Road
- Related to spending on detailed highways projects, £30,000 involved the repayments of the remaining balance from the relevant highways contributions to the developer. These payments were made where works were successfully completed by the Council and a balance on the contribution remained that should be returned to the developer under the terms of the s106 agreements
- a repayment of a £70,000 security/ marshalling deposit was also made under standard s106 procedures: the deposit was not needed for marshalling purposes and thus was subject to return to the developer under the terms of the s106 agreement.



*Location of the new bicycle storage facility, King's Cross*

## Local employment and training measures

We spent £485,000 in 2015/16 on local employment measures:

- £272,000 – running costs for Kings Cross Recruit. This provides a bespoke recruitment service for businesses in and around Kings Cross Central, and seeks to maximise the number of local residents accessing employment opportunities on the site
- £44,000 – West Euston Partnership
- £69,000 – Hatton Garden Business Improvement District development
- £68,000 – 120 Hatton Garden Workspace project
- £12,000 – Global Generation employment project
- £20,000 – ex-offenders employment project.



*The King's Cross Recruit / Global Generation Hospitality project, which received s106 funding in 2015/16*

## Community facilities

We spent £690,000 in 2015/16 on community facilities. Funds were passed to community groups, predominantly for enhancements to existing facilities, as follows:

- King's Cross Brunswick Neighbourhood Association: £73,600 (for repairs and refurbishment at Marchmont Street and Argyle Street and IT equipment at Marchmont Street and Harrison Street)
- Helios Foundation: £11,500 (for repairs and refurbishment, including noise reducing secondary glazing)
- Coram's Fields: £20,000 (for heating and boiler repairs and a new partition wall)
- St Pancras Community Association (health project): £20,000 (to provide interim support for the Good Neighbour Scheme primarily for older people)
- Covent Garden Community Centre: £45,700 (conversion and refurbishment to create additional usable / hireable space)
- Holborn Community Association: £133,500 (preparatory activities and planning for the redevelopment of Bedford House)
- One Housing Group: £3,675 (new equipment for a youth facility)
- Maiden Lane Community Centre: £58,125 (part of an eight year award to enable increased activities and use of the community centre)
- Phoenix Garden: £165,000 (towards the creation of a new community facility)
- Covent Garden Dragon Hall Trust: £110,000 (creation of a mezzanine floor that will provide additional usable space)
- Somers Town Community Association: £10,000 (activities in relation to the Francis Crick Institute's Healthy Living Centre)
- Holy Cross Centre Trust: £40,000 (for kitchen refurbishment and equipment, painting and decorating, new carpets and furniture, developing an internet facility)
- St Pancras Community Association: £2,749 (for equipment required at the new community centre, provided through the Community Investment Programme)

### 3.4 Current Section 106 balances

In 2015/16 we received £31.9m, whilst we spent £8.8m and allocated a further £20m to specific projects.

Current s106 balances are as follows:

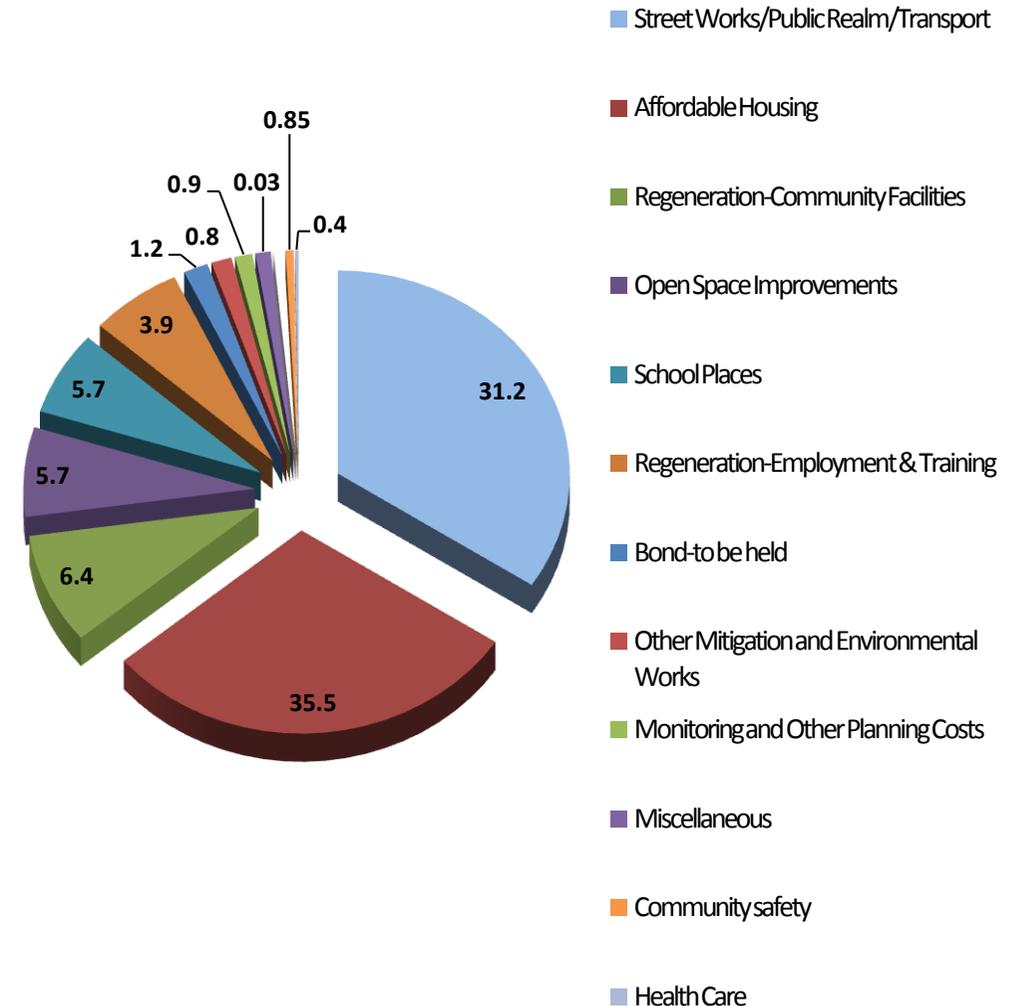
- Specific plans are in place to spend £76m
- £16.8m in s106 funds remain available to be allocated for future use.

The chart to the right provides a breakdown of current Section 106 balances by main category, combining both planned expenditure and funds that remain to be allocated. The majority of funds held relate to:

- Transport (£29.5m planned expenditure, £1.7m remaining to be allocated)
- Affordable housing (£29.52m planned expenditure, £6m remaining to be allocated)
- Community facilities (£4.7m planned expenditure, £1.7m remaining to be allocated)
- Open space provision (£5m planned expenditure, £700,000 remaining to be allocated)
- Education (£3.65m planned expenditure, £2.05m remaining to be allocated) and
- Employment/ training (£1.8m planned expenditure, £2.1m remaining to be allocated).

Section 3.5 below sets out details of planned expenditure by category.

Year end balances per service area: planned expenditure and remaining funds combined (£m)



### 3.5 Planned future Section 106 expenditure

There is approximately **£76m of planned expenditure** in place, with further plans to increase allocations for future spending in the coming months.

Of the £76m of spending already planned, £12.3m is already programmed to be spent in 2016/17. There are already plans in place to spend a further £11.2m on specific projects in 2017/18, and more detailed plans for further spending will be developed this year.

Details of planned s106 expenditure for each main spend area are set out below. Much of our planned spending will be on long term projects that will provide significant benefits to Camden, for example:

- £16m to be spent on public realm projects as part of the West End Project, along with a major programme of highways works (see 'Highways and Transport' below)
- £28m to support affordable housing provision on CIP projects including the major Tybalds Estate regeneration scheme and the Central Somers Town project (see 'Affordable Housing Fund' below)
- £2m on Science, Technology, Science, Technology, Engineering and Maths (STEM) facilities in schools across the borough (see 'Education funds below')
- £5m on Parks Investment Programme projects (see 'Parks and open spaces' below)
- Over £1.8m on employment, apprenticeship and training opportunities at King's Cross Recruit and the King's Cross Construction Skills Centre (see 'Employment and training' below).

We will carefully consider how to spend the £16.8m in S106 funds that are yet to be allocated for a specific project. The approach to each contribution will vary according to the legal definition of each contribution (as set out in each s106 agreement), as well as the wider funding and policy context. We want to make the best possible use of available funds as we can – something that will become increasingly important as pressure grows on public sector finances.

### Highways and transport

Received 2015/16: £10.2m

Spent 2015/16: £3.2m

**Planned expenditure: £29.5m**

**Remaining funds available to be allocated: £1.7m**

- Around £16m of funds in the capital programme are allocated to the West End Project/ St Giles Circus public realm works. We anticipate that £1.6m will be spent at Central St Giles during 2016/17 and £4m on the West End Project in 2017-18
- £3.3m from King's Cross Central/ Argent to increase capacity on existing bus routes
- Around £1m to be transferred to Transport for London for Legible London, cycle docking and bus stop improvements
- Around £1m for potential public realm improvements in the Farringdon area (with the detailed scope of works subject to future public consultation)
- Around £1.1m for various highway projects in the current capital programme for 2016/17, including:
  - £154k to Cartwright Gardens: this project is subject to public consultation and could include footway upgrades, a new footpath and a raised table
  - £120k to Hawley Wharf: these works are associated with the opening of the new school and includes a zebra crossing and footway upgrades. This will form part of wider public realm improvements that will be carried out in the next few years
- Around £6.2m for specific highways works: these works are specified as part of individual s106 agreements, and typically include repaving of footways, replacement or removal of crossovers and remediation of any damage to the highway caused by development
- £600,000 for bus capacity improvements and cycle facilities around Maiden Lane (with potential linkage to King's Cross Central bus funds)
- £300,000 to be passed to Islington Council for controlled parking zone implementation, subject to confirmation of need/ proposed use.



*Improvements to Tottenham Court Road will form part of the West End Project*

The delivery of transport projects, in particular larger and more involved public realm projects such as the West End Project and highways improvements works can be complex to plan and implement. It therefore will take some time for this spending to be fully delivered.

The Council will continue to assess how the remaining Transport balance can be used (alongside existing funds where possible) to improve transport conditions and the local environment.

It should be noted that many general public realm and other transport projects that do not specifically to a development site may in future be funded through the Community Infrastructure Levy (CIL). Please see Section 2 of this report for further information regarding planned CIL spending.

### **Affordable Housing Fund (AHF)**

Received 2015/16: £16.1m

Spent 2015/16: £1.4m

**Planned future expenditure: £29.52m**

**Remaining funds available to be allocated: £6m**

Section 106 affordable housing contributions can make a major contribution to providing affordable homes for people in Camden by providing financial support for housing projects.

The approach to spending affordable housing s106 funds is set out in the Council's Affordable Housing Fund High Priority Schemes Report, which is subject to the approval of the Cabinet Members for Housing and for Regeneration, Transport and Planning. The spending of Affordable Housing s106 money on individual projects is then delegated to the Executive Director Supporting Communities.

The latest version of the High Priority Schemes Report was approved in November 2015, and provides the framework for future spending on affordable housing by indicating priority schemes which could receive financial support from the Affordable Housing Fund. These priority schemes are reviewed annually, and therefore may be subject to change as scheme viability and Council priorities develop. The current affordable housing priorities established in the report are summarised in the table below.

There is a total of **£29.52m** planned expenditure on affordable housing, of which £11.91m is fully committed and a further £17.61m is approved through the Priorities Report, ready to be committed as schemes progress towards delivery. Planned s106 spending is expected to help deliver around **227 affordable units** in the next few years.

Planned spending includes the use of £28.29m for a number of the Council's Community Investment Programme projects, which will deliver around 214 affordable units in total.

Approximately £6m of the Affordable Housing Fund remains unallocated. This unallocated sum primarily relates to the receipt of significant affordable housing funds in the last year.

The next version of the High Priority Schemes Report (expected to be produced in autumn 2016) will address how these funds could be used, and it is anticipated that they will be used to support affordable housing provision on CIP projects to the south of Euston Road.

<b>Affordable Housing Fund: future high priority schemes</b>				
<b>Scheme name</b>	<b>Indicative no. housing units</b>	<b>Maximum AHF allocated</b>	<b>Maximum AHF committed</b>	<b>Notes</b>
<b>Community Investment Programme (CIP)</b>				
CIP Small Sites (Kiln Place, Maitland Park, Barrington Lambly)	68 units		£6m	£1.7m committed spending 2016/17 £3.55m committed spending 2017/18
CIP small sites (Raglan St, Heybridge and Three Fields)	52 units	£5.7m		Funds allocated for other small CIP sites in the development pipeline.
Central Somers Town	34 units	£10.36m		Subject to planning approval and final scheme requirements
Liddell Road	3 units	£450,000		
Camden Street/ Plender Street	14 units	£600,000		Detailed approval report required.
Tybalds Estate	43 units		£5.18m	£6.18m in Capital Programme. - £1m spent 2015/16 - £2m to be spent 2016/17 - £3.19m to be spent 2017/18
<b>Other Schemes</b>				
39 Tottenham Street	3 units	£500,000	0	
Kings Cross Adaptations	tbc		£401,000	Of the original sum of up to £570,000 committed, £169,000 has now been spent
Warren St/ Whitfield St	10 units		£325,000	£650k approved. £325k recently spent in Q1 2016/17
<b>Totals</b>	<b>227 units</b>	<b>£17.61m</b>	<b>£11.91m</b>	<b>Total planned spend: £29.52m</b>

## Education Funds

Received 2015/16: £1.9m

Spent 2015/16: £1.1m

**Planned expenditure: £3.65m**

**Remaining funds available to be allocated: £2.05m**

The Council uses its Section 106 funds, alongside other funding streams, to provide increased capacity and improved facilities in schools across the borough.

£3.65m is currently committed as follows:

- £200,000 for Science, Technology, Engineering and Maths (STEM) facilities at Acland Burghley secondary school
- £1.8m for STEM facilities at Torriano Junior, Argyle, Eleanor Palmer, Fitzjohns, Gospel Oak, Kentish Town and Netley Primary Schools
- £950,000 for additional pupil places/“bulge classes” in Kingsgate for 2016/17
- £300,000 allocated to Richard Cobden primary
- £300,000 in the schools capital programme
- £100,000 from St Giles Court s106 for St Joseph’s primary
- We plan to allocate any future receipts and residual balances to school projects addressing priority condition needs.

Of these commitments, it is anticipated that £1.98m will be spent in 2016/17, with a further £500,000 to be spent in 2017/18.

It is anticipated that the remaining unallocated balance and any future s106 education receipts will be allocated to school projects addressing priority condition needs. Education officers are currently assessing priority condition needs and associated funding requirements and in line with existing spending procedures for s106 education funds, it is anticipated that proposals will be taken to the Cabinet Member for Children for the spending of available s106 funds in due course. Any decision made will be made available on Camden’s web pages.

It should be noted that in many cases new developer funding for schools works will in future be secured through the Community Infrastructure Levy (CIL). Please see Section 2 of this report for further information regarding planned CIL spending.

## Parks and open spaces

Received 2015/16: £1.05m

Spent 2015/16: £200,000

**Planned expenditure: £5m**

**Remaining funds available to be allocated: £700,000**

Open space contributions are mainly used to deliver improvements to existing open spaces, to help address any increasing demands placed on them from development and to enhance the enjoyment of spaces for existing communities.



The approach to spending open space contributions is set out in the Council's Parks Investment Programme. The current Programme (approved by the Cabinet Member for Sustainability and Environment in November 2015) sets out the proposed use of all open space s106 funds received up to November 2015. Expenditure plans are therefore in place for most of the s106 funds held for parks and open spaces.

It is anticipated that £500,000 will be spent on open space improvement projects in 2016/17 as part of the Council's capital spending programme for the year. Anticipated spending in 2016/17 includes the following improvements to Camden's open spaces:

- £40,000 to be spent on College Garden
- £180,000 on Tennis court resurfacing
- £52,000 on Elm Village Open Space (with a further £63,000 to be spent in 2017/18)
- £46,000 on Falklands Place
- £31,000 at Sumatra Road Open Space.

The remainder of the open spaces s106 balance relates to funds received since received since November 2015. These funds are due to be allocated within an annual review of Green Space Investment Programme in January 2017. The Programme will then be periodically reviewed in order to respond to emerging investment needs and to plan for the use of newly received s106 monies.

### **Community facilities and activities**

Received 2015/16: £1.05m

Spent 2015/16: £690,000

**Planned expenditure: £4.7m**

**Remaining funds available to be allocated: £1.7m**

The Council generally uses its s106 community facilities funds to support improvements to community facilities across the borough.

There is currently £4.7m of planned s106 expenditure on community facilities and other community projects. The table below lists projects

and activities are expected to take place in 2016/17, following awards made in 2015/6 or in previous years.

Ward Members (and where appropriate, local stakeholders) were involved in each ward process, and the relevant Cabinet Member was consulted before awards were ultimately approved by the Director of Culture & Environment.

The Council's relationship with the voluntary and community sector (VCS) includes an objective to maximise the use of property assets, including the many Council-owned premises occupied by the VCS, to better deliver services and to encourage sharing of space. The allocation of s106 funds for community facilities is part of this relationship. Section 106 financial contributions towards enhancing community facilities benefit the local communities which use the facilities, the Council (where it is the landlord) and the VCS by enabling the better delivery of services to meet the needs of residents.

The current s106 balance for community facilities also includes c. £1.6m received from the Kings Cross Central s106 agreement, which has a dedicated future use as a Social Community Fund.

Both the Council and the community and the voluntary sector are facing significant financial challenges due to reductions in public sector funding. We will ensure that future spending allocations link into our wider strategic relationship with the voluntary and community sector in Camden, including the recently selected Strategic Partners.

It should be noted that developer funding for improvements to community facilities will in future be increasingly delivered through CIL (in particular 'local' CIL funds) rather than through s106 financial contributions. Please see Section 2 of this report for further information regarding planned CIL spending.

<b>Community facilities: planned expenditure</b>			
<b>Ward</b>	<b>Amount</b>	<b>Organisation</b>	<b>Activity / Progress</b>
Bloomsbury	£130,000 pledge	Fitzrovia Youth in Action	Towards building works to new premises. The Council's pledge is towards match-funding being achieved.
Camden Town with Primrose Hill	£420,000	Castlehaven Community Association	Three community buildings will be refurbished to enable an increased range of services.
Camden Town with Primrose Hill	£30,150	Primrose Hill Community Association / Library	Refurbishments and new equipment at both locations
Camden Town with Primrose Hill	£187,620	The Pirate Castle	To improve facilities and increase opportunities for increased use
Cantelowes	£58,125	Maiden Lane Community Centre	Annual award to enable additional activities and ongoing maintenance.
Fortune Green (joint process with West Hampstead)	£300,000	Sidings Community Centre	A range of improvements and refurbishments are planned
Fortune Green (joint process with West Hampstead)	£45,000	West Hampstead Community Centre	New furniture and equipment will be purchased
Fortune Green (joint process with West Hampstead)	£50,000	Emmanuel Church	The creation of additional community rooms. The award was a contribution to the overall cost
Frognaal & Fitzjohns	£172,230	Camden Arts Centre	The centre will be upgraded and refurbished
Holborn & Covent Garden	£130,000	The Phoenix Garden	A new community building will be completed
Holborn & Covent Garden	£303,500	Covent Garden Dragon Hall	Erection of a mezzanine floor and redecoration throughout
Holborn & Covent Garden	£200,000 + £800,000 pledge	Holborn Community Association	Preparation for building a new Bedford House. Continued fundraising to match the Council's pledge to enable the build
Kilburn (but allocated from West Hampstead)	£75,000	Kingsgate Community Centre	Sound-proofing and new equipment will be installed / purchased
King's Cross	£35,650	Age UK Camden	Towards extending their facility at Great Croft
King's Cross	£115,000 pledge	Camden Chinese Community Centre	Towards the installation of a lift within their premises to increase its use. The Council's pledge is towards match-funding being achieved
St Pancras & Somers Town	£36,000	St Pancras Community Association	Furniture and equipment for the new community centre will be purchased
<b>Total planned expenditure</b>	<b>£3,088,275</b>		

## Employment and Training

Received 2014/16: £700,000

Spent 2015/16: £485,000

**Planned expenditure: £1.8m**

**Remaining funds available to be allocated: £2.1m**

A key priority of the Camden Plan is to harness the benefits of economic growth, and we use s106 contributions to help fund training, apprenticeships and job brokerage opportunities as well as other key economic development projects.

There is £1.8m of planned expenditure on employment and training activities. This includes around £640,000 of projects which are currently committed for 2016/17:

- £108,000 staff engaged in securing and delivering of training and employment opportunities
- £140,000 to support Kings Cross Recruit, a bespoke recruitment service for businesses in and around Kings Cross Central which seeks to maximise the number of local residents accessing employment opportunities
- £40,000 towards the Castlehaven employment project
- £44,000 for the West Euston Partnership
- £58,000 for the Somers Town Jobs Hub
- £46,500 for the Women Like Us maternal employment project
- £30,000 towards the Westminster Kingsway College Into Enterprise project
- £27,000 for the Hatton Garden Business Improvement District development
- £142,000 for the Hatton Garden Workspace project

Further ahead, approximately £800,000 is allocated to the delivery of training and apprenticeships through the Kings Cross Construction Skills Centre. The precise timing for the spending of these funds will be dependent on the timing of individual apprenticeship and training schemes.



*Activity at the Kings' Cross Construction Skills Centre*

A further £400,000 will also be spent on the delivery of Kings Cross Recruit.

We will use remaining s106 funds to provide opportunities for local people to access employment and training. For example, we expect s106 funding will be needed to fund the delivery of the Camden Apprenticeships Service which is currently core funded. We are also likely to need additional s106 funds to support the Kings Cross Construction Skills Centre which will need to move to a new site in 2018.

It is further anticipated that s106 funds will be used to match fund devolved employment and skills budgets through sub-regional working arrangements.

## Other planned expenditure

We also hold smaller amounts of s106 funding for a range of other purposes, such as community safety, health and sustainability. Planned expenditure in these other areas includes:

- £1.2m bond payment: the Council must hold this for 50 years but it will be returned at the end of that period, and thus its end use is known
- £500,000 on Phase Two of the new decentralised energy scheme in Somers Town, which is expected to be spent in 2016/17. This spending forms the third and last phase of a total £3.8m investment which will replace old communal heating systems to heat 340 homes in the area.
- £68,000 to support sexual health services at the Brook Centre along with outreach work at Bloomsbury and other university campuses.



*The decentralised energy network in Somers Town*

## 3.6 Non-financial Section 106 obligations

Section 106 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. They play a key role in ensuring that mitigation measures are delivered in developments, providing the legal framework by which many planning policy requirements are secured.

Significant progress was made in processing applications to discharge developers' non-financial obligations during 2015/16, for example:

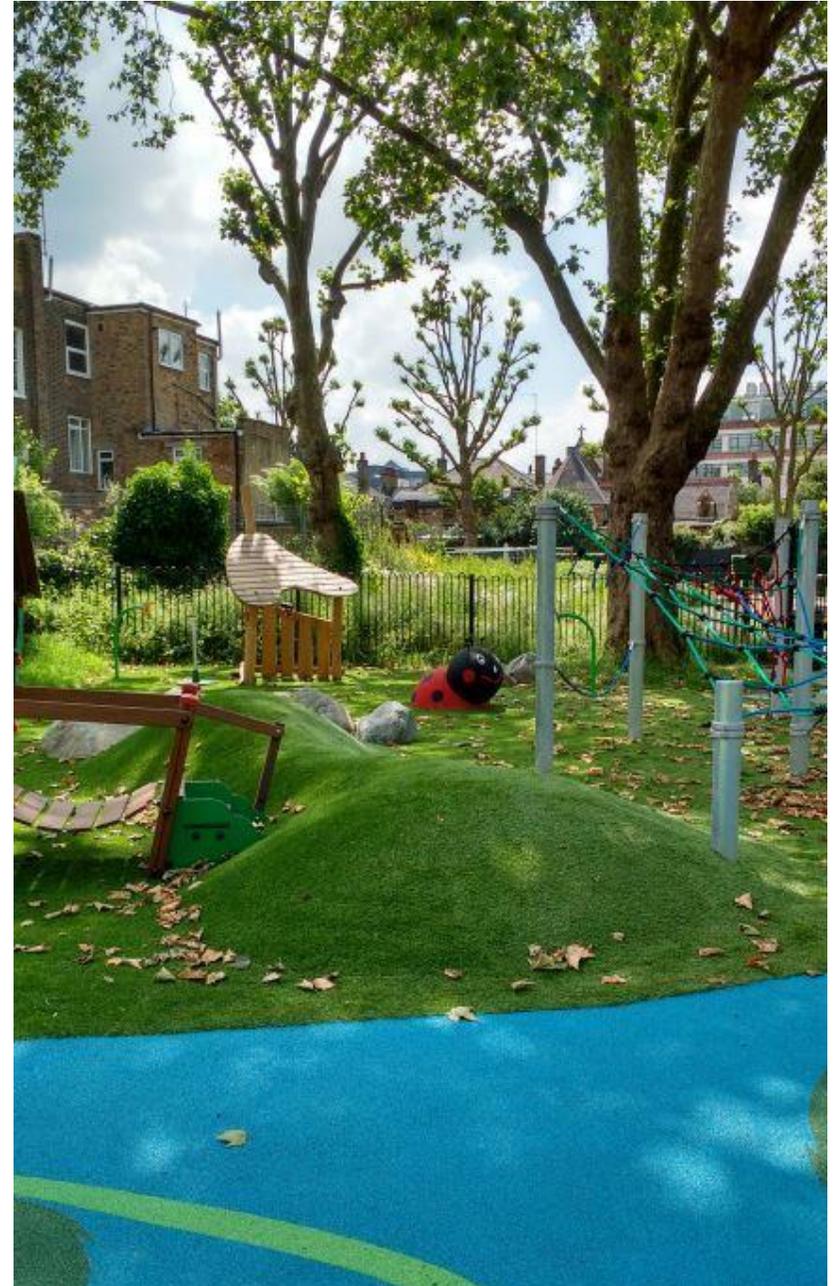
- 174 Construction Management Plans (CMPs) / Demolition Management Plans (DMPs) were received and processed in 2015/16, with 132 discharged during the year. CMPs and DMPs are used to mitigate the impacts of construction on areas surrounding development by setting out how issues such as noise, air quality and transportation of materials and waste will be addressed.
- 26 Travel Plans were received and processed, with 27 approved during the year (approvals include Plans that were submitted in the previous financial year). Travel Plans set out how developments will promote sustainable travel when in operation, and therefore have an important role in the ongoing promotion of sustainable travel in the borough.
- 56 Sustainability Plans were received and processed during the year, with 65 such plans discharged (including Plans that were submitted in the previous financial year). Sustainability Plans set out how developments will achieve the sustainability targets set out in the planning application documents and are an important tool in ensuring on-the-ground delivery of Camden's planning policies around sustainable development.

## 4. Conclusion

As indicated in the Introduction to this Report, the financial year 2015/16 was a busy year for collecting and spending financial contributions from developers, with a record £31.9m s106 funding received and £8.8m spent (along with £20m allocated to specific projects), along with a successful first year collecting the Camden Community Infrastructure Levy, with £3.5m received.

We are committed to ensuring that we make the best possible use of developer contributions to provide benefits to communities and the environment in Camden, and this report sets out how we intend to use s106 and CIL funds to invest in our communities and to help local people to benefit from growth.

We hope you find this report useful. If you have any comments or suggestions about the report, please email [cil@camden.gov.uk](mailto:cil@camden.gov.uk) or [planningobligations@camden.gov.uk](mailto:planningobligations@camden.gov.uk).



**Infrastructure and growth**

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