

# Overview of S106 funding

Last updated: 11 July 2024



## 1. Why are S106 contributions collected?

- a. S106 contributions<sup>A</sup> are payments from developers aimed at mitigating the impact of development. New housing and other development<sup>B</sup> leads to more demands on local facilities (e.g., public play areas & open spaces and community meeting spaces, sports facilities, changing facilities & playing pitches available for public use and/or affordable hire). 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 and planning policy. Official regulations require them to be: necessary, to make developments 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<sup>C</sup>. The contribution types under which S106 funds are still available in some parts of the city include:

Types	What this contribution type can be used for
Informal open spaces <sup>D</sup>	For council-owned/managed parks & open spaces: soft 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 <sup>E</sup>
Public realm	Improvements to the design of streets, including hard landscaping and better access and safety for pedestrians, cyclists and people with a disability
Community facilities	New/improved community halls and meeting rooms (and/or upgrades to their kitchens, toilets, storage and furniture/equipment) available for public use/hire
Outdoor sport	New/improved tennis courts, basketball & multi-use games areas, outdoor fit kit, outdoor sport pavilions/changing rooms (or better outdoor sport equipment /storage for use at the facility) available for public use/lessons/hire
Indoor sport	New/improved indoor sports halls/gyms/changing rooms (or better indoor sport equipment/storage for use at the facility) available for public use/lessons/hire

- a. Following official regulation changes in April 2015, all contributions secured for Cambridge (by Greater Cambridge Shared Planning) now have to be **specific**, identifying their use at particular facilities to mitigate the impact of particular developments. These are agreed up-front in a short time period as part of the planning approval. Beyond major growth sites<sup>F</sup>,

- 
- 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. The approach to these contribution types is detailed in the Council's [Planning Obligations Strategy SPD](#). S106 funds 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.
  - E. The Council now focusses on securing on-site public art, as appropriate, through planning conditions.
  - F. For major growth sites, on-site facility provision tends to be negotiated on a case-by-case basis.

there are 'target lists'<sup>G</sup> of play areas, open spaces and sports and community facilities in Cambridge where off-site mitigations might be needed, as a starting point for negotiating specific contributions. See the Appendix.

- b. Before April 2015, the Council entered into **generic** S106 contributions (not tied to particular facilities). Choices over where to use these generic funds could be made once they were paid. Most of these have now been allocated or spent. Some S106 contribution types (e.g., play provision and public realm) have particularly low levels of generic S106 funds left available. Those generic S106 funds that do remain tend to be unevenly spread across the city. The City Council's search for new projects will focus on those parts of the city where generic S106 funds for particular contribution types are still available.

### 3. How are generic S106 funds allocated to mitigation projects in Cambridge?

The arrangements vary depending on the focus of particular S106 funding rounds, but the selection criteria<sup>H</sup> for assessing proposals tend to highlight 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 funds available in particular parts of the city (and not creating extra revenue costs for the council for which there is no budget);
- an effective use of resources, which helps to mitigate the impact of development<sup>I</sup>;
- accessible for public use/hire, in line with Council grants and equalities policies;
- realistic, achievable & ready to be delivered; 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. In 2023/24, the Council ran a number of generic S106 funding rounds for community and sports facilities, public art and informal open spaces. There have been further reports in June 2024. See the Council's [Urban growth](#) pages on mitigating the impact of growth.

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

We manage S106 funds carefully so they are used for their intended purposes, in a timely way<sup>J</sup> and on projects that are related to the developments from which they arise. A local project funded from generic S106 funds tends to use contributions from developments in the same ward and/or neighbouring wards that also benefit from it. In terms of strategic uses, up to half the S106 funds from major developments are used to fund relevant projects in the same area of the city (i.e., north, east, south or west/central) and/or projects in another area, which mitigate the impact of that major development.<sup>K</sup>

- 
- G. Introduced in committee reports in March & June 2016. Reviewed in March 2019. New Outdoor Play Investment Strategy reported to Environment and Community Scrutiny Committee in March 2024.
- H. The selection criteria for public art S106 funding rounds are based on similar principles & reflect the Public Art SPD (e.g., seeking new/original public art, which is high quality, accessible to public, involves an artist, engages the community and has a lasting legacy).
- I. First and foremost, it should address needs arising from more homes in the city (not pre-existing needs or the impact of the pandemic). S106 funds cannot be used for overtly profit-making purposes.
- 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. S106 contributions from a particular ward are not necessarily always spent in the same ward.

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

Over the last eight years, we have used evidence-based target-lists to identify local facilities which might benefit from specific S106 contributions from new planning applications for local major developments. This table gives examples of some of the facilities featured in those target lists. Following a report to Environment & Community Scrutiny Committee in March 2024 on the [Outdoor Play Investment Strategy](#), the choice of local play areas to be targeted for specific S106 contributions will be informed by the latest data from the new business intelligence platform.

Please note that: [a] 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); [b] officers may identify other projects to mitigate the impact of proposed developments; [c] the impact of some developments can be mitigated by facilities beyond a ward (e.g., some sports facilities have an area/city-wide benefit); [d] 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); [e] specific contributions that are received but cannot be used would need to be returned to the developer; and [f] this latest version takes account of changes to Cambridge [ward boundaries](#) in May 2021.

Ward	Open spaces at:	Community facilities at:	Indoor sports at:	Outdoor sports at:
<b>Abbey</b> (East Area)	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
<b>Arbury</b> (North Area)	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)
<b>Castle</b> (West/Central Area)	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.
<b>Cherry Hinton</b> (South Area)	Cherry Hinton Hall, Cherry Hinton Rec Ground	Cherry Hinton Library, Cherry Hinton Village Centre		Cherry Hinton Village Centre (community gym facility)
<b>Coleridge</b> (East Area)	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

Ward	Open spaces at:	Community facilities at:	Indoor sports at:	Outdoor sports at:
<b>East Chesterton</b> (North Area)	Causeway Park, Vie site (off St Andrew's Road)	Brown's Field Youth & Community Centre	None highlighted via indoor sports strategy. May be mitigated by other projects, including those elsewhere in area or city.	Upgrades to pitches at Chesterton Rec Ground & Logan's Way Rec Ground
<b>King's Hedges</b> (North Area)	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)
<b>Market</b> (West/Central Area)	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)
<b>Newnham</b> (West/Central Area)	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.
<b>Petersfield</b> (East Area)	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)	Outdoor fit-kit around Parkside Pool
<b>Queen Edith's</b> (South Area)	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)
<b>Romsey</b> (East Area)	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)
<b>Trumpington</b> (South Area)	Coe Fen, Trumpington Rec Ground	Clay Farm Centre, Trumpington Pavilion		Trumpington Rec Ground (pitch improvements)
<b>West Chesterton</b> (North Area)	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)