

# Cabinet Agenda

Monday, 4 January 2021 at 6.00 pm

MS Teams

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1)	Hastings Country Park Visitor Centre Part 1 <i>(Mike Hepworth, Assistant Director, Environment and Place)</i> <i>(Cabinet Decision)</i>  <b>Exclusion of the Public</b>  To resolve that the public be excluded from the meeting during the consideration of the items of business listed below because it is likely that if members of the public were present there would be disclosure to them of “exempt” information as defined in the paragraphs of schedule 12A to the Local Government Act 1972 referred to in the relevant report	1 - 4
2)	Hastings Country Park Visitor Centre Part 2 <i>(Mike Hepworth, Assistant Director, Environment and Place)</i> <i>(Cabinet Decision)</i>	5 - 10

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# Agenda Item 1a



**Report To:** Cabinet  
**Date of Meeting:** 4<sup>th</sup> January 2021  
**Report Title:** Hastings Country Park Visitor centre  
**Report By:** Assistant Director Environment and Place  
**Key Decision:** Yes  
**Classification:** Part One

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## Purpose of Report

To update Cabinet on progress with the project, and to seek authority to increase the capital and revenue budget associated with it.

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## Recommendation(s)

**It is recommended that Cabinet consider the content of this report in conjunction with the associated part two report, and that Cabinet agree that the works on the visitor centre should be completed subject to the recommendations in the Part 2 report being approved.**

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## Reasons for Recommendations

Due to matters set out in this report and the associated part two report, additional funding is needed to complete the project, and this requires Cabinet approval.

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## Introduction

1. The new visitor centre is the first public straw bale building in Hastings. It will provide the focus for education and interpretation of the largest and most protected wildlife site in the Town. Open to all, it will give schools and visitors a new and fit for purpose venue to learn about our natural world. The Council has declared a climate emergency and aims to become carbon neutral by 2030. The new centre built from straw and sustainable materials requires no heating. The council is leading by example with sustainable building design and construction to help address our climate emergency and help the council become carbon neutral by 2030.
2. The local community helped shape what a new centre would look like and what it should do. It will be the local communities of Hastings and St Leonards that will benefit from the range of volunteering, educational and learning activities at the new centre at a time when access to green space is more important than ever for our physical health and mental wellbeing.
3. Cabinet will recall that this project has been complex and challenging, resulting in reports to Cabinet, including those considered on 21<sup>st</sup> May and 3<sup>rd</sup> December 2018. Both reports set out the challenges faced as the council sought to procure a contract to build this innovative community building. The former also highlighted the successful bids for EU grant funding, which necessitated match funding and therefore the need to authorise an increase to the project budget.
4. Perhaps the most challenging element of the project to that point was the procurement, due to the artisan nature of the contractors needed for a straw bale build. As a result, following 2 unsuccessful rounds of procurement facilitated by the East Sussex Procurement Hub, the council agreed to proceed with a different approach based on working with a partnership of artisan contractors led by a 'principal contractor'.
5. The 3<sup>rd</sup> December 2018 report summarised a third round of procurement via the East Sussex Procurement Hub seeking tenders from specialist artisan consortia, which resulted in a contract being awarded to the principal contractor with the best overall bid, taking account of price and quality. This was a contractor called SIA Design and Build. Their bid was within the approved budget, and they had experience of sustainable building projects.

## Update

6. Subject to the normal challenges faced by all construction projects, such as adverse weather, the build progressed reasonably well until early 2020, when it became apparent that the relationship between the principal contractor and the artisan sub-contractors had significantly deteriorated. This resulted in works stalling shortly before the first COVID19 lockdown. The associated part two report provides details of this relationship breakdown, and what the council had to do as a result of it.
7. Whilst the timing of this issue narrowly predates the first COVID19 lockdown, the timing could hardly have been worse. Even though the council's actions enabled the building work to resume, the COVID19 safe working measures and associated supply chain issues resulted in increased costs, which are also set out in the part two report.
8. Another consequence of the COVID19 pandemic is a significant reduction in the availability of UK grant funding for assistance with operating community centres such as this. Despite a very good track record of obtaining grant funding in the past for similar projects,

Groundworks South, our partners in the Interreg programme, have been unable to access the sort of financial support they would ordinarily expect, and this has made it difficult for them to commit to a long term relationship with the council. However, they continue to play an important part in the development of this facility, and it is hoped that a long term arrangement will be possible. Work on this is ongoing.

9. Earlier this year, officers also became aware of another opportunity to apply for significant additional EU funding, which if approved would clearly help to mitigate the issues mentioned above. A decision on this application was expected by September 2020. However, this has been repeatedly delayed and is now not expected until at least the new year.

## Policy Implications

### Environmental Issues and Climate Change

10. As stated in paragraph 1, the new country park visitor centre is an important part of the council's strategy to help Hastings become carbon neutral by 2030.

### Economic/Financial Implications

11. It is predicted that the project will overspend, and that the council will also need to subsidise the operating costs of the centre in the short term.

## Public Exemption

12. More details of these matters are set out in the associated part two report on this agenda, as they are currently confidential, and therefore exempt information under parts 3, 4 and 5 of Schedule 12A of the Local Government Act 1972.

## Urgency

13. For reasons set out in the part two report, it is now predicted that the final project costs will exceed the approved budget. Officers have been waiting for information that would clarify the additional project spend to date, and that which is predicted through to completion. For example, the pending decision from the EU regarding a potential additional allocation of £108,000 grant. There are also other variables which may positively affect the final project costs, but it is not possible to give certainty of these at this point. However, because the additional project costs will impact on the developing 2021/22 budget (to be published on 8th January 2021), an urgent Cabinet decision is needed on the current and future funding scenarios for completion of this project.

## Timetable of Next Steps

14. Please include a list of key actions and the scheduled dates for these:

Action	Key milestone	Due date (provisional)	Responsible
Report predicted overspend to Cabinet seeking approval to increase capital	Cabinet 4 <sup>th</sup> January 2020		Assistant Director Environment and Place

and revenue budgets.			
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## Wards Affected

Wards: Ore and Old Hastings

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## Policy Implications

**Please identify if this report contains any implications for the following:**

Equalities and Community Cohesiveness	N
Crime and Fear of Crime (Section 17)	N
Risk Management	N
Environmental Issues & Climate Change	Y
Economic/Financial Implications	Y
Human Rights Act	N
Organisational Consequences	N
Local People's Views	N
Anti-Poverty	N
Legal	N

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## Additional Information

NA

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## Officer to Contact

Mike Hepworth, Assistant Director Environment and Place  
 Email [mhepworth@hastings.gov.uk](mailto:mhepworth@hastings.gov.uk)  
 Tel 01424 783332

# Agenda Item 1b

By virtue of paragraph(s) 3, 4, 5 of Part 1 of Schedule 12A  
of the Local Government Act 1972.

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