

	Officer Key Decision
	Report to the Corporate Director of Finance and Resources
	Lead Cabinet Member for Finance & Resources
Authority to Award the Second Stage of the Two Stage Design and Build Contract for the Picture Palace Refurbishment	

Wards Affected:	Kensal Green & Harlesden
Key or Non-Key Decision:	Key Decision
Open or Part/Fully Exempt: <small>(If exempt, please highlight relevant paragraph of Part 1, Schedule 12A of 1972 Local Government Act)</small>	Open
List of Appendices:	None
Background Papers:	None
Contact Officer(s): <small>(Name, Title, Contact Details)</small>	Name: Neil Martin Job Title: Head of Capital Delivery Email: neil.martin@brent.gov.uk

1.0 Executive Summary

- 1.1. This report concerns the Council's refurbishment of Picture Palace, 26 Manor Park Road, NW10 4JJ to develop a new community facility for Brent residents and requests authority to award the second stage of the two-stage design and build contract with Ark Build Plc to complete this project.

2.0 Recommendation(s)

That the Corporate Director, Finance and Resources:

- 2.1 Approves the award of the second stage of the two-stage design and build contract with Ark Build Plc for the Picture Palace refurbishment works for a sum of £3,188,879.39.

3.0 Detail

3.1 Contribution to Borough Plan Priorities & Strategic Context

- 3.1.1 The Picture Palace refurbishment project helps meet outcomes within the Borough Plan, namely Strategic Priority 3 - Thriving Communities, and delivers on an objective within the Black Community Action Plan (BCAP) by developing a community space to be run and managed by local communities.

3.2 Background

- 3.2.1 In 2020, Brent Council acquired the former Picture Palace cinema building on Manor Park Road to help deliver extensive cultural and community uses in the heart of Harlesden town centre.
- 3.2.2 Post-acquisition, officers have been working with local community organisations to develop an outline design/facility mix for the Picture Palace building and appointed Ark Build Plc (“the Contractor”) to develop the designs for the building under a Pre-Construction Services Agreement (PCSA) as the first stage of a two-stage design build contract and propose a fixed price contract sum for the main works as the second stage.
- 3.2.3 The contractor’s design proposals have been considered acceptable by the Council’s technical consultants and the fixed price contract sum for the second stage of the contract has been agreed at £3,188,879.39.
- 3.2.4 The contractor sought three tenders from their supply chain for each of the works packages and they have been assessed by the contractor and the Council’s appointed technical consultants and cost consultants. The Council also worked with the contractor to identify value engineering options that did not have an impact on the requested facilities and design from the local community groups and the proposed works cost sum is inclusive of this work.
- 3.2.5 When factoring in the revised scope of works following consultation with community groups and the extent of the condition improvement/repair works required, it is considered that the cost proposed is value for money for the extent of the works. Subject to approval and on-site progress, the refurbished Picture Palace is expected to be available for community use from April 2025.

4.0 Stakeholder and ward member consultation and engagement

- 4.1 The Leader, Lead Member and Ward Councillors have been kept up to date with progress on the delivery.
- 4.2 The Lead Member has been appraised of the project and consulted on this report and its recommendation to award the second stage of the contract to deliver the refurbishment works.
- 4.3 Local community organisations will be kept up to date and engaged throughout the construction phase.

5.0 Financial Considerations

Budget Overview & Financial Capacity

- 5.1 The contract value of £3,188,879.39 can be met from the project budget, which includes the Cabinet approved £3.3m Strategic Community Infrastructure Levy (SCIL) investment to complete the Picture Palace refurbishment project.

Funding

- 5.2 As set out in the SCIL funding request report approved by Cabinet in September 2023, the project is funded by SCIL, and the project is seen as an appropriate use of SCIL to meet the requirements of the Local Plan and Infrastructure Delivery Plan.

6.0 Legal Considerations

- 6.1 The value of the Contract over its lifetime is below the Public Contracts Regulations 2015 (the “PCR 2015”) threshold for Works and the award of the Contract is therefore governed in part only by the provisions of the PCR 2015. The authority to award report from August 2022 outlines how the Contract was procured in accordance with the Regulations.
- 6.2 The scheme is being delivered in two stages. As mentioned above, the first stage being the pre-construction services has been completed and the Council is satisfied with the contractor’s delivery of the pre-construction services, the resultant contractor proposals and second stage contract sum. Officers therefore recommend that the second stage of the contract.
- 6.3 The contract will be administered using the JCT Design and Build contract 2016 with the Council’s amendments which was included as part of the tender documentation.

7.0 Equity, Diversity & Inclusion (EDI) Considerations

- 7.1 The Public Sector Equality Duty, as set out in section 149 of the Equality Act 2010, requires the Council, when exercising its functions, to have “due regard” to the need to eliminate discrimination, harassment and victimisation and other conduct prohibited under the Act, to advance equality of opportunity and foster good relations between those who have a “protected characteristic” and those who do not share that protected characteristic. The protected characteristics are: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex, and sexual orientation.
- 7.2 Having due regard involves the need to enquire into whether and how a proposed decision disproportionately affects people with a protected characteristic and the need to consider taking steps to meet the needs of persons who share a protected characteristic that are different from the needs of persons who do not share it. This includes removing or minimising disadvantages suffered by persons who share a protected characteristic that are connected to that characteristic.
- 7.3 This report is a precursor for a refurbished asset that will have positive EDI implications as the new building will provide a new community space in Harlesden and help realise a key commitment in the Black Community Action Plan. Local community groups will continue to be updated and engaged to ensure they are able to influence the development of the asset. Additionally,

the Corporate Director, Finance and Resources is referred to the EDI implications described in the Harlesden Investment report ([Decision - Inclusive Growth in Harlesden Town Centre \(brent.gov.uk\)](https://www.brent.gov.uk/decision-inclusive-growth-harlesden-town-centre)). Officers do not consider there is any change in the EDI implications from the time of this report.

8.0 Climate Change and Environmental Considerations

8.1 The proposed refurbishment project will incorporate insulation improvements to the building's fabric to reduce heat loss and consequently reduce energy consumption and carbon emissions. The project will replace the current gas heating system with air source heat pumps which will further reduce carbon emissions during building operation.

9.0 Human Resources/Property Considerations (if appropriate)

9.1 The works contract with the contractor and the provision of community services will be provided by external bodies and there is no implication for Council staff arising from the proposed arrangements.

9.2 Subject to approval for contract award, the Council will also need to enter appropriate leasing arrangements with an operator in respect of the management of Picture Palace and that will be a separate decision.

10.0 Communication Considerations

10.1 Along with updating Ward Councillors, the contractor will keep residents updated on construction progress throughout the contract to manage the impact of the project.

10.2 Officers will also continue to update the local community on progress with this project, which will deliver an important community asset in Harlesden.

Report sign off:

Minesh Patel

Corporate Director of Finance and Resources